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Fifty-eighth session

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Summary record of the 18th meeting
Held at Headquarters, New York, on Monday, 10 November 2003 at 9.30 a.m.

Chairman: Mr. Kmoníček ..... (Czech Republic)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: *Mr. Mselle*

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03-60507 (E)

The meeting was called to order at 9.35 a.m.

Agenda item 59: Strengthening of the United Nations system (*continued*) (A/57/86, A/58/7/Add.5, A/58/375 and Corr.1 and A/58/395 and Corr.1)

1. **Ms. Afifi** (Morocco), speaking on behalf of the Group of 77 and China, commended the efforts of the Secretary-General aimed at further strengthening the United Nations system. The Group of 77 and China attached great importance to planning and wished to reaffirm the role of the General Assembly and the relevant intergovernmental and expert bodies, within their respective mandates, in the consideration of the planning, programming, budgeting, monitoring and evaluation process.

2. She asked how the proposals of the Secretary-General concerning improvements to the current process of planning and budgeting contained in document A/58/395 had evolved from those set out in his report on the strengthening of the United Nations: an agenda for further change (A/57/387) and requested additional information on the proposed measures to improve the process of programme performance monitoring and evaluation, in particular, a modified biennial programme performance report and improved format and timing of evaluation reports. She also wished to be provided with detailed flow charts showing the different phases of the current and proposed planning and budgeting processes and mock-ups of the medium-term plan and the budget outline incorporating the changes proposed in document A/58/395. The Group of 77 and China would like to have a clearer understanding of the various options before reaching any decision. However, it wished to emphasize that priority-setting should be based on legislative mandates, not on resources.

3. **Ms. Arce de Gabay** (Peru), speaking on behalf of the Rio Group, said that Member States must decide, on the basis of the legislative mandates and priorities they had selected, which processes they considered important for the Member States and for the efficiency of the Organization, and then determine which body should be responsible for each process. The expected results of activities must be identified and budgeted for, the relevant documents must be made easy to understand and the cost of the procedure for consideration of the medium-term plan and the programme budget must be reduced.

4. The General Assembly must be able to make informed decisions. All delegations must therefore be made aware of the real advantages that the planning and budgeting process entailed, not only from the standpoint of the Organization itself, but also from that of the participation of Member States at every stage.

5. The introduction of results-based budgeting had led to positive change, but the current format of the budget made it difficult to quantify several important activities; it should be made more concise. The planning and budgeting cycle should be updated, but efforts must be made to ensure that any new system was flexible enough to accommodate future developments. If the Secretariat was to have greater autonomy in planning and budgeting, new monitoring and accountability mechanisms would be needed.

6. The Rio Group agreed with the criticisms of the medium-term plan described in paragraphs 7 and 9 of document A/58/395, but also with the observation in paragraph 8 that the medium-term plan gave Member States a measure of assurance. If a medium-term plan was needed, its format must be decided. The Rio Group favoured a more concise plan covering shorter periods. Activities could perhaps be considered in detail at the programming stage. The Rio Group supported the suggestion in paragraph 23 of document A/58/395 that the budget outline should be expanded to include information on important programming changes, but believed that more details were needed as to how that expanded outline would be implemented in the context of the system as a whole.

7. As it had done in the discussions concerning resolution 57/300, the Rio Group advocated the use of mock-ups to illustrate the effects of the Secretary-General's proposals. The Advisory Committee on Administrative and Budgetary Questions had made the same recommendation (A/58/7/Add.5, paras. 7 and 11), and that practice might have saved time during the debate on the proposals.

8. The Rio Group agreed that too little time was devoted to evaluating the results achieved at the end of a period. That was because there were no efficient evaluation methods and because some delegations found it difficult to follow all the issues involved and could therefore not always take part in discussions.

9. The debate over the role of the Committee for Programme and Coordination (CPC) centred on whether that body or the Fifth Committee should

review programme issues. The difficulty in reaching agreement should not stand in the way of examining the function and composition of CPC. If CPC did deal with programmming matters, it should have more than simply a supervisory role. There was support for the suggestion that its members should serve in their personal expert capacities rather than as representatives of Member States.

10. **Mr. Spatafora** (Italy), speaking on behalf of the European Union, the acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia, the associated countries Bulgaria, Romania and Turkey, and, in addition, Iceland and Liechtenstein, said that the Secretary-General's analysis — on a single-stage approach to the intergovernmental mechanism for agreeing on budgetary and programming issues and on ways to streamline and rationalize documentation to mesh with new intergovernmental working methods — was exactly what Member States had been seeking.

11. The basic structure of the General Assembly's decision-making process was sound. The European Union remained committed to General Assembly resolution 41/213; the process must be transparent and fully representative of all Member States and reflect full consideration of budget and programming issues. There was, however, a need to discuss practical matters: how productive was the intergovernmental process, and how useful had the Secretariat's documentation in its current form been. The decision-making system must exist for the common benefit and be comprehensive and comprehensible to all Member States. There must be a frank appraisal of how well existing structures served the needs of the Organization.

12. The Fifth Committee, the Advisory Committee and the Committee for Programme and Coordination (CPC) must operate efficiently. Consideration was being given to how CPC could play a stronger role in advising the General Assembly on two matters that should occupy more of its time: evaluation and monitoring. In a results-oriented culture, it was not enough to assign resources to an activity: activities must be followed up, difficulties reported and remedial action proposed. The European Union had expressed support for the proposal contained in the Secretary-General's report on strengthening of the United Nations (A/57/387) regarding action to improve monitoring and evaluation; it believed that a more prominent role for CPC would contribute to that aim.

13. A planning document was needed to help the Secretariat to fulfil the mandates agreed on by the Member States. The current format of the medium-term plan had been set out in the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (PPBME Rules). Those rules might be too prescriptive to enable the Secretariat to link short- and medium-term objectives to the bigger picture. In addition, the current four-year time frame was awkward, because it straddled two bienniums. The European Union was willing to reduce that time frame to two years, but that would make it all the more incumbent on the General Assembly to provide a proper link to medium- and longer-term objectives.

14. The same pragmatic, empirical approach must be adopted for programming and budgetary issues. One possibility was to combine the medium-term plan with the programme budget; alternatively the medium-term plan could be more effectively harmonized with a rejuvenated budget outline to form a dual-component strategic framework. Either approach would better align programming and priority-setting with resource implications.

15. The Advisory Committee's advice was appreciated, particularly the recommendation that the Secretary-General should provide mock-ups to illustrate the revised programming and budgetary process. That would also help to clarify the Secretary-General's proposals on the future of the budget outline and on ways to improve evaluation and monitoring. The European Union hoped that the Secretariat could provide that additional material rapidly in order to help the Committee in its informal discussions so that it could arrive at a well-considered resolution by the end of the current session. It did not wish to be dogmatic, and remained open to discussion on the best way forward. However, it was important not to miss the opportunity to make long-overdue changes to the way in which the General Assembly worked.

16. **Mr. Sharma** (Nepal) said that his delegation associated itself with the statement made by the representative of Morocco on behalf of the Group of 77 and China.

17. Budgetary reform was an important ingredient of the overall reform of the Organization. The budget process had been improved over the years, but further reform remained as relevant and essential as ever. The reform proposals before the Committee deserved serious examination and a rational response.

18. A medium-term plan should not merely be a shopping list of expected activities with expedient outcomes. It must instead constitute a multi-year road map and address policy issues vital to the key objectives of the Organization. It should identify clear targets, spell out strategies and allocate scarce resources with meticulous care in the medium term in a manner that would enable the Organization to meets its long-term goals.

19. The Secretary-General's proposals that the current four-year medium-term plan should be replaced by a biennial plan and that the role of the Committee on Programme and Coordination should be revised should be considered in that context. He agreed with the Advisory Committee that those proposals required a policy decision by the General Assembly and that the possible consequences must be explored thoroughly. Two questions arose in connection with the medium-term plan: first, whether it should try to respond to the demands of the current situation and, second, whether it should try to shape the Organization's course beyond the urgency of the events at hand. In both cases, the answer was "yes".

20. Shortening the time frame of the medium-term plan would bring it closer to current realities, but that should not make strategies and responses blind to the longer term. The plan should fit in with the annual budget and targets and with long-term spending projections and goals, which were focused on fulfilling the goals set out in the Millennium Declaration. An altered medium-term plan should neither be a substitute for the annual budget nor strive to rewrite the Millennium Declaration by proxy.

21. The Secretary-General's proposal for a single-stage intergovernmental review of the medium-term plan and the programme budget must be put in perspective: his delegation did not wish to engage in micromanaging the Organization's planning and budgetary process, nor did it wish Member States to abdicate their responsibility for maintaining adequate legislative control over that process. It was in that context that the Secretary-General's proposal for a review of the functions of CPC should be approached.

22. His delegation considered the current cost of the budgetary process — around $20 million — to be high. The Committee should try to minimize costs and optimize the benefit of resources spent. The crux of the matter was not necessarily the amount involved, although that was important. The question was whether expenditure was justified by the value which it added to a particular task. In other words, his delegation would back proposals to do more with fewer resources, but it would not lend its support if lower costs meant work of lower quality.

23. The Committee must choose measures that were acceptable to all and sustainable in the long run. United Nations budgetary reform must promote transparency, a democratic culture, efficient use of resources and effective delivery of the desired outcomes. Member States must determine the policy aims and the methods used to attain them.

24. **Mr. Iosifov** (Russian Federation) said that the current budget review process was long and involved, and required great effort from Member States and from the Secretariat. The Secretariat had already taken a significant step forward by changing the format of the budget. The aim of reform was not merely to make life simpler. Changes to working methods must not weaken the ability of Member States to monitor and direct the preparation and implementation of the budget; any potential reforms must therefore be analysed thoroughly. Views on the reform of the budget process had tended to evolve, and the Secretariat and the Joint Inspection Unit had increasingly developed synergy of thinking in that regard. His delegation would examine all the proposals of the Secretary-General, the Advisory Committee and the Joint Inspection Unit. Incidentally, he wished to point out that the report of the Joint Inspection Unit differed from most Joint Inspection Unit reports in scope and scale, and represented the consensus view of all members of the Unit.

25. His delegation would take an active part in future debates, so as to encourage the adoption of a mutually acceptable decision in the shortest possible time. It advocated focusing on those potential reforms which had the greatest chance of success.

26. **Ms. Wang** Xinxia (China) said that her delegation wished to associate itself with the statement

made by the representative of Morocco on behalf of the Group of 77 and China. The proposals of the Secretary-General for improvements to the current process of planning and budgeting were an important part of his agenda for comprehensive reform. The introduction of results-based budgeting had marked the first step in the reform of the budgetary process. The proposed programme budget for the biennium 2004-2005 showed further improvements in the use of the technique with the addition of targets for the measurement of indicators of achievement. The implementation of the budget for 2004-2005 would provide an opportunity to explore new ideas and accumulate practical experience.

27. Her delegation supported efforts to streamline the budgetary process, enhance the alignment of programme activities with the priorities set by Member States and terminate ineffective outputs in a timely fashion so as to optimize resource utilization. The powers of the intergovernmental bodies with respect to programme planning, the setting of the level of the budget and resource allocation must not be compromised. However, each must focus on its area of competence in order to ensure an appropriate division of labour. Her delegation would welcome a greater role for the Committee for Programme and Coordination in monitoring and evaluation. It agreed that the submission of mock-ups would enable Member States to gain a clearer understanding of the Secretary-General's proposals.

28. The reform of the planning and budgeting process would have a direct impact on the Organization's ability to implement mandated programmes and activities; all Member States therefore had a vital stake in its success. It should be an orderly and gradual process of continuous improvement that would take fully into account both the unique nature of the work of the United Nations and the views of its Members.

29. **Mr. Halbwachs** (Assistant Secretary-General for Programme Planning, Budget and Accounts, Controller) said he had been encouraged by the positive and open attitude of the members of the Committee during the discussion on the potential changes to the budgetary process. Their comments would provide a basis for future work on the issue. The Secretariat would provide the requested mock-ups and flow charts at the Committee's informal meetings, as well as any other relevant information.

30. **Ms. Goicochea** (Cuba) said that her delegation associated itself with the statement made by the representative of Morocco on behalf of the Group of 77 and China.

31. Reform of the budgetary process should help the Organization to improve intergovernmental analysis of the programme budget and the medium-term plan. Member States must have suitable information to enable them to carry out that task.

32. Her delegation would have preferred the report of the Joint Inspection Unit on the review of the United Nations budgetary process (A/58/375 and Corr.1) to go beyond the proposals of the Secretary-General. In fact, the three options in that report differed little from the Secretary-General's proposals and a number of the shortcomings of the current system had not been addressed. That was unfortunate, particularly since the Joint Inspection Unit covered the entire United Nations system.

33. With regard to the budget outline and the incorporation of new mandates into the medium-term plan during the course of a biennium, her delegation believed that there was a lack of detail in the proposals of the Secretary-General and the Joint Inspection Unit. A careful analysis should be made of the implementation of General Assembly resolution 41/213.

34. Her delegation supported the current role of CPC. Its existing budgeting and planning functions should be consolidated, but its monitoring and evaluation role should be expanded. In resolution 55/231, the General Assembly had introduced results-based budgeting, but it was only a few years since that resolution had been adopted. She wondered whether the time was right to consider reforms as radical as those proposed by the Secretary-General and supported by the Joint Inspection Unit.

35. Her delegation believed that the medium-term plan should be the Organization's main guiding instrument. It was concerned about the proposal to link it to the budget outline. In practice, that would amount to imposing budget ceilings on programme requirements.

36. She wished to put a number of specific questions to the Secretariat. Firstly, she wondered what proposals had been made to increase the responsibility and accountability of programme managers within the

framework of the proposed changes. Secondly, she would like an explanation of the main changes proposed for the medium-term plan and the budget outline in the documents before the Committee and document A/49/301 (prototype of a new format of the medium-term plan). Thirdly, she wished to know how the shortcomings in the current medium-term plan would be addressed, particularly with regard to the incorporation of new mandates during the course of a biennium.

Agenda item 126: United Nations common system (*continued*) (A/58/30)

37. **The Chairman** said that, in accordance with General Assembly resolution 35/213 and the decision taken by the Committee at its 17th meeting, Mr. Agostino Paganini, Chairperson of the Global Staff Association of the United Nations Children's Fund, would read out a statement by the Coordinating Committee for International Staff Unions and Associations of the United Nations System (CCISUA) on behalf of Ms. Rosemarie Waters.

38. **Mr. Paganini** (Chairperson of the Global Staff Association of the United Nations Children's Fund), speaking on behalf of the Coordinating Committee for International Staff Unions and Associations of the United Nations system, said that CCISUA had participated fully in the work of the International Civil Service Commission (ICSC) at its fifty-eighth session and that its position was accurately reflected in the Commission's report (A/58/30).

39. With regard to security of staff, he said that the report of the Independent Panel on the Safety and Security of United Nations Personnel in Iraq had highlighted the appalling state of the security management system. He noted with concern the system's lack of independence and its inability to ensure compliance with even the Minimum Operating Security Standards (MOSS). He trusted that the General Assembly would heed the Panel's call for the establishment of an independent audit and accountability procedure to review the responsibilities of key individuals in the lack of preventive and mitigating actions prior to the attack on the United Nations headquarters in Baghdad on 19 August 2003. If the Organization was to retain some integrity, then those responsible must be held to account, irrespective of their position in the organizational hierarchy. He emphasized that it was not acceptable to make cost savings at the expense of staff members' security and safety.

40. Regarding the new Master Standard for job classification, CCISUA was concerned that the elimination of such elements as years of experience, language skills and academic preparation would make it easier to recruit less-qualified external candidates over better-qualified internal candidates; that would pose great risks for staff in organizations where posts were advertised externally. Comparisons with corporate practices were not helpful since the private sector had the market as its ultimate arbiter whereas the United Nations did not. CCISUA endorsed the view of some members of the Commission that the reform of the Professional category should be completed first to ensure that the Master Standard initiative was viable before it was extended to the General Service category. Caution should be exercised in undertaking such a project, given the likely impact on the application of the Flemming principle.

41. Regarding broadbanding and performance pay, CCISUA emphasized that human resources management reform must provide for the recruitment and promotion of staff members on the basis of their skills and competencies. In addition, a career development programme must be in place in order to motivate staff. A successful broadbanding pilot would require a credible performance appraisal system. However, neither managers nor staff were satisfied with the current system, which was widely regarded as cumbersome, time-consuming, and inefficacious. CCISUA could support pay for performance providing that goals were clear and measurable and a full management review was undertaken. It was important, when the General Assembly considered such issues, for the views of managers to be taken into account, even where they differed from those of the Office of Human Resources Management.

42. CCISUA supported three basic types of contracts in the United Nations common system: permanent/indefinite (or career), fixed-term and temporary. The permanent/indefinite contract should be clearly identified and its terminology standardized across the system in order to reduce confusion. The phasing out of permanent contracts would be contradictory to the ongoing purpose of national competitive examinations, while the practice of extending staff on a short-term basis over long periods

encouraged favouritism. Permanent contracts were the best way of maintaining the independence of the Secretariat and ensuring greater competitiveness for the common system. Contractual arrangements should therefore be developed to match the needs of the organization and, at the same time, respect individual staff needs and rights.

43. There was a need to provide a well-designed framework for mobility in order to open up career opportunities for staff members. The current policy, however, was unfair since not all functions lent themselves to mobility. Linking promotion to mobility would be disruptive, with staff moving frequently between posts. Moreover, organizations would incur considerable expenses for training, relocation and indemnities. Noting that there should be balanced mobility between organizations of the common system, he asked whether it was the case that there was currently more mobility from the specialized agencies to the United Nations than the other way round and whether there were any specific administrative instructions governing mobility in the agencies as there were in the United Nations Secretariat. In duty stations where several agencies had headquarters or offices, the question of inter-agency mobility of staff members in the General Service category should also be considered. Currently, those staff members had no possibility of transferring to another organization, a situation that was detrimental to all. A study of General Service mobility should be undertaken.

44. He expressed support for the increase in the level of hazard pay for locally recruited staff. It was unacceptable to differentiate between international and local staff in granting hazard pay, since the latter were often at particular risk. Concerning the eligibility for hazard pay of area staff of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), CCISUA endorsed the position of the Federation of International Civil Servants' Associations (FICSA).

45. Regarding the evolution of the United Nations/United States net remuneration margin, he expressed disappointment with the decision of the General Assembly to grant no salary increase to the lower Professional grades in 2003 and called for action to restore salaries in those grades to the appropriate level. The granting of a salary increase to the higher-level Professional grades was not justified given the leadership crisis in the organizations.

46. CCISUA had worked closely with the Commission during the current round of surveys of best prevailing conditions of employment at headquarters and non-headquarters duty stations. Some issues, however, should have received more attention, including the fairer application of the Flemming principle in determining remuneration and conditions of employment and the quantification of hidden benefits provided by comparators in both the private and public sectors, while other issues, such as the increase in the number of comparators in some non-headquarters duty stations had not been resolved in the best interests of staff. The Commission should ensure that the methodology for the next survey round was flexible enough to accommodate appropriately the peculiar circumstances of a given labour market and work environment.

47. Lastly, he urged the Committee to take account of the views of staff members, who were the organizations' best investments.

Agenda item 121: Proposed programme budget for the biennium 2004-2005 *(continued)*

Administrative and financial implications of the decisions and recommendations contained in the report of the International Civil Service Commission for 2003 (A/58/7/Add.2 and A/58/378)

48. **Mr. Berridge** (Officer-in-Charge of the Policy Coordination Unit, Office of Programme Planning, Budget and Accounts), introducing the statement by the Secretary-General on the administrative and financial implications of the decisions and recommendations contained in the report of the International Civil Service Commission for 2003 (A/58/378), said that the Commission, at its fifty-seventh session, had upheld its previous decision that the level of hazard pay granted to locally recruited staff should be increased to 30 per cent of the midpoint of the local salary scale with effect from 1 January 2004. The annual financial implications of the Commission's decision for the United Nations common system as a whole were estimated at $2.7 million. The annual financial implications for the United Nations regular budget were estimated at $887,000. For the biennium 2004-2005, the related costs arising from the modification of the benefit would amount to $1,774,000. Those requirements would be accommodated within the common staff costs

provision in the proposed programme budget currently before the General Assembly.

49. **The Chairman** said that the related report of the Advisory Committee was contained in document A/58/7/Add.2.

Other matters

50. **Mr. Farid** (Saudi Arabia) said that it had come to his attention that the data on Saudi Arabia's total and average per capita gross national income (GNI) submitted to the Fifth Committee during the informal consultations on the scale of assessments for the apportionment of the expenses of United Nations peacekeeping operations differed substantially from those provided by the Statistics Division of the Department of Economic and Social Affairs to the Committee on Contributions. Indeed, there was no consistency between any of the figures listed for total and average per capita GNI for any year of the six-year base period used for determining the peacekeeping scale for 2004-2006. He expressed deep concern about the discrepancies and requested the Secretariat to provide written clarification in informal consultations that afternoon.

51. **The Chairman** said that the Secretariat had taken note of the request.

The meeting rose at 10.45 a.m.

United Nations A/C.5/58/SR.19

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Summary record of the 19th meeting
Held at Headquarters, New York, on Monday, 17 November 2003, at 9:30 a.m.

Chairman: Mr. Kmoníček ..... (Czech Republic)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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Other matters

Organization of work

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03-61535 (E)

The meeting was called to order at 9.35 a.m.

Agenda item 138: Financing of the United Nations Organization Mission in the Democratic Republic of the Congo (A/58/381 and A/58/447 and Corr.1)

Agenda item 140: Financing of the United Nations Mission of Support in East Timor (A/58/192 and Add.1 and A/58/409)

Agenda item 143: Financing of the activities arising from Security Council resolution 687 (1991)

(a) United Nations Iraq-Kuwait Observation Mission (A/58/386 and A/58/441)

1. **Ms. Pollard** (Director of the Peacekeeping Financing Division), introducing the report of the Secretary-General containing the proposed budget for the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) for the period from 1 July 2003 to 30 June 2004 (A/58/381), said that, owing to the adjustment of the Mission's mandate by the Security Council in resolution 1493 (2003), the current budgetary proposals superseded those contained in the earlier reports of the Secretary-General on the financing of MONUC (A/57/683 and Add.1). The budget provided for the phased deployment of 10,040 troops, 760 military observers, 182 civilian police, 938 international staff, and 1,299 national staff, including 25 National Officers and 419 United Nations Volunteers, as well as for the administrative and logistical support to its military and civilian personnel deployed in Kinshasa and 21 liaison and field offices in the mission area. The actions to be taken by the General Assembly in connection with the financing of MONUC were the appropriation of an amount of $93,038,300, in addition to the amount of $582 million that had already been appropriated and assessed by the General Assembly, and the assessment of the additional amount.

2. Introducing the report of the Secretary-General containing the revised budget for the United Nations Mission of Support in East Timor (UNMISET) for the period from 1 July 2003 to 30 June 2004 (A/58/192 and Add.1), she said that, in resolution 1473 (2003), the Security Council had decided to revise the mandate of UNMISET and its implementation plan. The revised mandate implementation plan specified a slower pace of withdrawal of military contingents and civilian police and the inclusion of an international formed police unit for one year. By resolution 1480 (2003), the Security Council had decided to extend the mandate of UNMISET until 20 May 2004. The actions to be taken by the General Assembly were to approve the donation of assets with an inventory value of $35,262,900 and corresponding residual value of $15,879,900 to the Government of Timor-Leste on a free-of-charge basis; to appropriate the additional amount of $23,827,500 gross for the maintenance of the Mission for the 12-month period from 1 July 2003 to 30 June 2004; and to assess the additional amount of $23,827,500 gross at a monthly rate of $1,985,625, should the Security Council decide to continue the mandate of the Mission beyond 20 May 2004.

3. Introducing the note by the Secretary-General on the financing of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) for the period from 1 July 2003 to 30 June 2004 (A/58/386), she said that, in resolution 57/330 of 18 June 2003, the General Assembly had authorized the Secretary-General to enter into commitments in an amount not exceeding $12 million for the period from 1 July to 31 October 2003, to be financed from the accumulated fund balance in the Special Account for the United Nations Iraq-Kuwait Observation Mission. In resolution 1490 (2003) of 3 July 2003, the Security Council had decided to continue the mandate of UNIKOM for a final period until 6 October 2003; that would be followed by a one-month liquidation period. In view of the closure of the Mission, no revised budget would be submitted to the General Assembly for the period from 1 July 2003 to 30 June 2004. On the basis of the current level of expenditures for UNIKOM, the $12 million commitment authority that had been approved by the General Assembly would suffice to cover the remaining activities of the Mission, including its liquidation. Actual expenditures incurred during that period would be reported to the General Assembly in the context of the performance report.

4. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on the proposed budget for MONUC for the period from 1 July 2003 to 30 June 2004 (A/58/447 and Corr.1), said that the general comments of the Advisory Committee on the proposed budget were contained in paragraphs 9 to 13 of the report and its comments on the Mission's resource requirements in paragraphs 14

to 54. The Advisory Committee recommended a reduction of $34 million, or approximately 5 per cent, with respect to the proposed requirements. It further recommended that the total amount assessed for the period at the current time should not exceed $582 million gross ($572,289,264 net). The Advisory Committee would review the situation when it examined the estimates for the 2004/05 period, at which time more information would be available on the role of the Mission in the disarmament, demobilization and reintegration programme and the disarmament, demobilization, repatriation, resettlement and reintegration programme, as well as in the electoral process.

5. In its report on the financing of UNIKOM for the period from 1 July 2003 to 30 June 2004 (A/58/441), the Advisory Committee recommended that the General Assembly should take note of the information that no revised budget would be submitted to the Assembly for UNIKOM for the period from 1 July 2003 to 30 June 2004.

6. In its report on the revised budget of UNMISET (A/58/409), the Advisory Committee recommended that the General Assembly should appropriate the additional amount of $23,827,500 gross for the maintenance of the Mission for the 12-month period from 1 July 2003 to 30 June 2004 and that the amount should be assessed at a monthly rate of $1,985,625, should the Security Council decide to continue the mandate of the Mission. The Advisory Committee further recommended that the Assembly should approve the donation of assets with an inventory value of $35,262,900 and a corresponding residual value of $15,879,900 to the Government of Timor-Leste on a free-of-charge basis.

7. **Mr. Martini** (Italy), speaking on behalf of the European Union, the acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia, the associated countries Bulgaria, Romania and Turkey, and, in addition, Iceland, Liechtenstein and Norway, said that peacekeeping remained a core function of the United Nations and one of the Organization's most visible endeavours. It was therefore important to enhance its efficiency by ensuring that the budgeting process was as accurate as possible. The use of results-based budgeting marked an important step forward and the Secretariat should continue to make further improvements in those techniques in order to more accurately forecast the use of resources against priorities. More visible benchmarks should also be introduced to monitor the accomplishments of administrative strategies and related budgetary investments.

8. The European Union endorsed the view expressed by the Advisory Committee that further efficiency gains could be achieved by reducing the number of staff travelling to the same meetings and through greater use of videoconferencing, especially between peacekeeping missions and Headquarters. Standard ratios for items such as information technology and transport were a useful concept that offered firm guidelines within which missions should operate. Greater use could be made, for example, of the United Nations Logistics Base at Brindisi for the coordination of new synergies in the peacekeeping sector.

9. The European Union was particularly concerned about the fact that peacekeeping missions were often short of cash as a result of the non-payment of assessed contributions by Member States. The timely payment of contributions was essential to the proper functioning of missions and would enable the Secretariat to reimburse contributors of troops and contingent-owned equipment.

10. The European Union would welcome assurances that, in preparing its budget proposals for peacekeeping operations, the Secretariat had taken account of the Advisory Committee's comments on such cross-cutting issues as training, information technology, recruitment and travel. It supported the view expressed by the Advisory Committee with respect to UNMISET that the issue of the disposal of assets must be taken forward in the context of a slower than expected drawdown and that there must be some form of legally binding agreement regarding the handover of weaponry.

11. Security Council resolution 1493 (2003), which reinforced the mandate and staffing of MONUC, would make an important contribution to the current difficult transitional phase in the Democratic Republic of the Congo. The European Union was nevertheless concerned about the Advisory Committee's comments about persistent overbudgeting and supported its recommendations on the proposed revised budget level for MONUC.

12. A reduction in the time taken for the filling of vacancies was crucial to the operational effectiveness

of peacekeeping operations. The Galaxy system should therefore be rapidly improved so that the Department of Peacekeeping Operations would not have to rely on its own monolingual system, since the principle of the equality of working languages was of particular importance in the staffing of MONUC.

13. **Mr. Kelapile** (Botswana), speaking on behalf of the African Group, said that MONUC had proven to be a complex but necessary Mission. The African Group welcomed the progress that had been made thus far in the deployment of military, police and civilian staff, but was fully aware that the vastness of the territory and the unpredictable security situation might continue to hamper the expeditious fulfilment of the wide range of critical tasks that were essential to the full implementation of the mandate of MONUC in the Democratic Republic of the Congo. In order to make further progress and to sustain the progress achieved, however, adequate numbers of troops must be deployed to ensure full compliance with the ceasefire, the implementation of the disengagement plan and progress towards voluntary disarmament, demobilization, repatriation, resettlement and reintegration. In that connection, the African Group welcomed the adoption by the Security Council of resolution 1493 (2003), which enhanced the troop strength and extended the mandate of MONUC for an additional period.

14. While the Secretary-General should be commended for significantly reducing the vacancy rate for international staff, further steps should be taken to ensure that the Mission operated at the full approved strength without delay and that the deficiencies of the Galaxy system were rectified to facilitate the timely recruitment and placement of mission personnel. The Secretariat should also explore all avenues for utilizing expertise that could be found within the region where the peacekeeping mission was located.

15. The African Group noted the information that the Secretariat had provided in document A/58/381 on the steps that had been taken in connection with the airfield services contract for MONUC. Many of the shortcomings that had been previously identified by oversight bodies, in particular the unsatisfactory performance of the contractor, could hamper effective and efficient support to the Mission and should serve as a lesson for the future. The Department of Peacekeeping Operations and the Office of Central Support Services should continue to ensure strict respect for the rules and regulations governing procurement, transparency and the accountability of staff involved in the process.

16. The African Group took note of the Advisory Committee's recommendation of an overall amount that was approximately 5 per cent below the estimate proposed by the Secretary-General for the maintenance of MONUC for the 12-month period ending on 30 June 2004. It wished to underscore the importance of allocating adequate resources to peacekeeping missions. Its position on the recommendations of both the Secretary-General and the Advisory Committee on the overall resource requirements for MONUC would be determined on the basis of the additional information provided during the informal consultations on the item.

17. **Ms. Lock** (South Africa) said that the peace process in the Democratic Republic of the Congo had entered into a new phase that would require the comprehensive engagement and assistance of the United Nations and the international community at large. It was therefore encouraging to see that the proposed budget reflected the readjustment of the structure of MONUC towards meeting the needs of the changing political and military situation on the ground. Her delegation commended the Secretariat on its use of results-based budgeting techniques in preparing the estimates and on the improvements in the format and content of its budget proposals.

18. In considering the resource requirements for MONUC, her delegation would remain cognizant of the fact that the proposed staffing establishment reflected the revised mandate of MONUC and the complexities of the operation. It was of the view that the revised vacancy rate was still too high and that steps should therefore be taken to increase recruitment.

19. Her delegation noted the Advisory Committee's recommendation that the proposed requirements of MONUC should be reduced by $34 million; it would pursue that proposal further in the informal consultations with a view to ensuring that the Committee reached a decision which would guarantee that MONUC continued to receive sufficient and predictable financing at the current critical juncture. In that connection, the Secretariat should provide an analysis of the circumstances that might have contributed to the trend described in paragraphs 12 and 13 of the report of the Advisory Committee

(A/58/447). Projections for the procurement, staffing and deployment levels for the remaining seven months of the financial period would also be welcome.

20. South Africa welcomed the formation of the Transitional Government, which it viewed as a critical first step towards the achievement of lasting peace in the Democratic Republic of the Congo. Support should be provided for the security arrangements for the Transitional Government in Kinshasa and for the work of the Ituri Interim Administration. The new political developments afforded all stakeholders the opportunity to revitalize the process of disarmament, demobilization and reintegration in the Democratic Republic of the Congo. South Africa was committed to staying the course with the Congolese people as they worked to implement all agreements and to achieve peace and security in their country.

21. **Mr. Kozaki** (Japan) said that, while his delegation welcomed the use of results-based-budgeting techniques in the preparation of the budget proposals for MONUC, the linkages between expected accomplishments, indicators of achievement and outputs still remained abstract and further efforts were needed to enhance efficiency in such areas as the accumulation and distribution of supplies and to prevent overbudgeting. In that connection, the Advisory Committee, which played a key role in the budget process, should be provided with accurate and sufficient information in a timely manner.

22. With regard to UNMISET, his Government was of the view that the Organization should continue to play an important role in Timor-Leste and that the proposed budget would contribute to that objective.

23. Lastly, his delegation endorsed the contents of the note by the Secretary-General on the financing of UNIKOM for the period from 1 July 2003 to 30 June 2004 (A/58/386).

24. **Mr. Snowdon** (Australia), speaking also on behalf of Canada and New Zealand, said that peacekeeping was one of the most vital functions of the United Nations. The Committee played an important part in the financing and administration of such operations, and must fulfil that role thoughtfully and carefully.

25. The United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) continued to face many challenges in fulfilling the mandates which the Security Council had given it. Although there had been progress in bringing peace to much of the country, the Ituri district had experienced violence and atrocities. The arrival of a force led by France, followed by an expansion of MONUC, had improved the situation, but MONUC still had a great deal to do. The political elements necessary for a lasting solution to the problems of the Democratic Republic of the Congo and its neighbours were not yet in place. The proposed international conference on the African Great Lakes region was important in that regard.

26. He had been pleased to see clear guidance for the work of MONUC in the budget for the Mission, which provided a results-based framework for translating Security Council resolutions into action. It was divided into components with clear expected accomplishments and indicators of achievement. He welcomed the emphasis on building the structures and capabilities needed for sustainable peace and he hoped for more progress towards the expected accomplishments as the security situation improved. Although good justifications had been given in the budget for MONUC, the Mission should continue to adapt its activities and resources to the situation on the ground, placing more emphasis on the eastern part of the country as the tempo of MONUC operations there increased. He agreed with the recommendations of the Advisory Committee in document A/58/447.

27. The work of the United Nations in Timor-Leste served as a benchmark for what could be achieved in conflict and post-conflict situations. The delay in downsizing the United Nations Mission of Support in East Timor (UNMISET) was an appropriate response to the security situation, which remained fragile. The United Nations should continue to contribute towards the building of political and security institutions in Timor-Leste in order to preserve the progress made so far and to lay the foundations for future stability and prosperity. The financial implications of the delayed drawdown of the Mission and the proposed donation of assets to the Government of Timor-Leste were straightforward; he supported the recommendations of the Advisory Committee in that regard (A/58/409).

28. **Mr. Mumbey-Wafula** (Uganda) said that his delegation continued to regard peacekeeping operations as important to the maintenance of international peace and security. It was therefore particularly interested in the peace process in the Democratic Republic of the

Congo. He welcomed the progress made in the deployment of the civilian and military components of the Mission.

29. Although MONUC was one of the most complex missions in United Nations peacekeeping history, it was also one of the most promising in terms of results. The additional mandates conferred by the Security Council in resolution 1493 (2003) would help to make the achievements of MONUC on the ground more sustainable. The external variances which had previously stood in the way of lasting peace were being addressed, as internal and external developments had shown.

30. His delegation hoped that the problem of high vacancy rates in peacekeeping missions, which the African Group had highlighted in meetings of the Committee during the second part of the resumed fifty-seventh session of the General Assembly, would not recur as MONUC expanded to its full capacity. It also hoped that the shortcomings which the oversight bodies had identified had been addressed.

31. Adequate resources must be allocated to meet peacekeeping mandates. The provision of sufficient resources to MONUC would go a long way towards establishing peace in the Democratic Republic of the Congo.

32. **Mr. Shalita** (Rwanda) said that his delegation believed that MONUC was playing an important role towards the establishment of peace in the Democratic Republic of the Congo and the Great Lakes region and commended the presentation of the budget for the Mission in a clear, results-based format.

33. Tens of thousands of genocidal, armed foreign militia personnel were in the country, threatening peace, security, reconciliation and development within and beyond its borders. Until the problem of their presence was tackled, the region could not achieve peace or stability. The international community must support MONUC in its key task of dealing with the disarmament, demobilization, repatriation, resettlement and reintegration of those combatants. His delegation welcomed Security Council resolution 1493 (2003), which had increased the troop strength and capacity of MONUC and had given it a mandate under Chapter VII of the Charter. It also welcomed the efforts being made to reduce vacancy rates and to address administrative problems.

34. While the achievements of MONUC were commendable, the slow progress in the disarmament, demobilization, repatriation, resettlement and reintegration of members of armed foreign militias remained a concern. His delegation hoped that the Mission's more robust mandate and increased resources would improve the situation, and it requested the Secretary-General to report to the General Assembly on that matter by June 2004.

35. Although MONUC had been expecting to accomplish the voluntary disarmament of 4,000 armed foreign combatants, Uganda and other countries in the region estimated that the number of combatants was much higher than 4,000. Not all of those combatants were likely to disarm voluntarily. They might continue to pose a security threat to the Democratic Republic of the Congo and its neighbours and to prevent the Transitional Government from establishing its authority throughout the country. The international community should be prepared to give MONUC additional capacity to deal with such a situation, if necessary.

Agenda item 134: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*) (A/58/559)

36. **Ms. McCreery** (Assistant Secretary-General for Human Resources Management), introducing the note of the Secretary-General on special measures for protection from sexual exploitation and sexual abuse (A/58/559), said that it was submitted in response to General Assembly resolution 57/306 on investigation into sexual exploitation of refugees by aid workers in West Africa. The note summarized the action taken so far, which included the issuance of a bulletin on the subject (ST/SGB/2003/13) on 9 October 2003. The bulletin laid down specific standards that reiterated existing general obligations under the Staff Regulations of the Organization. Those standards determined that sexual exploitation and sexual abuse constituted serious misconduct and provided grounds for disciplinary measures, including summary dismissal. The Secretary-General's bulletin applied to all staff of the United Nations, including staff of separately administered organs and programmes, and required non-United Nations entities or individuals entering into cooperative arrangements with the Organization to abide by its provisions.

37. The Secretary-General had instructed the Executive Committee on Humanitarian Affairs to establish a system for the implementation of the bulletin in the field, and had informed the Senior Management Group, which comprised heads of departments, funds and programmes, accordingly by a letter dated 22 October 2003. He had also informed the members of the Senior Management Group that the Inter-Agency Standing Committee Task Force on Protection from Sexual Exploitation and Abuse in Humanitarian Crises was drawing up model complaint mechanisms and investigative protocols in response to the specific requests which the General Assembly had made in its resolution.

38. The Office of Human Resources Management had been given the responsibility for collecting and keeping information on investigations into cases of sexual exploitation and sexual abuse and on the action taken as a result of such investigations. She was asking heads of departments, offices and programmes to submit to her, by 30 January 2004, information for the period from 1 January 2003 to 31 December 2003. That information would be used to produce the report which the General Assembly had requested. The report would be submitted to the General Assembly at the second part of its resumed fifty-eighth session. During the current year, the Secretariat had received no reports of investigations into allegations of sexual abuse or sexual exploitation.

39. **Mr. Snowdon** (Australia), speaking also on behalf of Canada and New Zealand, said that resolution 57/306 had been a landmark statement from the General Assembly on the need for the United Nations to protect vulnerable people in its care from sexual abuse. The publication of the Secretary-General's bulletin (ST/SGB/2003/13) had been an essential step forward; it appropriately reinforced accountability and a zero-tolerance approach.

40. The steps taken by United Nations agencies and bodies in the past year had been positive, and had included the development of mechanisms, policies and procedures aimed at preventing and responding effectively to incidents. One example was the new prevention and response guidelines of the Office of the United Nations High Commissioner for Refugees (UNHCR).

41. The note of the Secretary-General had been introduced under agenda item 134, which related to peacekeeping. That must not be taken to mean that the issue was connected with peacekeeping alone, nor to mean that the subsequent report to the General Assembly should have a narrow focus. He expected a system-wide approach to be taken, since the matter needed coordination among the many United Nations agencies with a presence in the field and full cooperation between agencies, local authorities and troop contributors.

42. He looked forward to a full report on the implementation of General Assembly resolution 57/306 at the resumed session of the General Assembly, including details concerning the implementation of paragraphs 6, 7, 8 and 10, across the United Nations system.

43. **Mr. Kozaki** (Japan) said that his delegation was concerned about the problem of sexual exploitation in refugee camps and sexual misconduct by those involved in peacekeeping operations to which the Office of Internal Oversight Services had drawn attention in its report (A/57/465). It welcomed the steps taken by the Secretary-General and expected him to exercise leadership to maintain strict discipline in that field.

44. **Mr. Mazumdar** (India) asked why the note of the Secretary-General had been submitted under agenda item 134, which related to peacekeeping, if it had been a response to General Assembly resolution 57/306 and the report of the Office of Internal Oversight Services on the investigation into sexual exploitation of refugees by aid workers in West Africa (A/57/465).

45. **Mr. Eljy** (Syrian Arab Republic) said that his delegation welcomed the note of the Secretary-General on special measures for protection from sexual exploitation and sexual abuse (A/58/559). It was anxious to make sure that the local population in the field was fully aware of the policies which the General Assembly had adopted. He also requested the Secretariat to distribute the Secretary-General's bulletin (ST/SGB/2003/13) to the missions of all the Member States.

46. **Mr. Abelian** (Secretary of the Committee) said that the note of the Secretary-General (A/58/559) had been introduced under agenda item 134 because it was the custom not to change the agenda item under which an issue and its follow-up were considered. However, when the report on the implementation of the relevant paragraph of General Assembly resolution 57/306 was

submitted, it would be considered under a number of agenda items, reflecting the fact that the matter was of concern to the whole United Nations Secretariat and system.

Other matters

47. **Mr. Farid** (Saudi Arabia) said that at the Committee's previous meeting he had requested a written explanation of the discrepancy between the data on Saudi Arabia's total and average per capita gross national income (GNI) submitted to the Fifth Committee during the informal consultations on the scale of assessments for the apportionment of the expenses of United Nations peacekeeping operations and the data provided by the Statistics Division of the Department of Economic and Social Affairs to the Committee on Contributions. He was deeply concerned that the information had not yet been supplied. He asked for an oral explanation of the discrepancy to be given at a forthcoming meeting of the Fifth Committee and for that explanation to be confirmed in writing.

48. Unless he received a clear and concise written explanation that could be forwarded to his capital for consideration and further instructions, his delegation would be unable to join a consensus on the draft resolution regarding the proposed new scale of peacekeeping assessments for 2004-2006 which the Committee was due to discuss.

49. **Mr. Abelian** (Secretary of the Committee) said that the written explanation which the representative of Saudi Arabia had requested had been prepared and would be distributed to the Committee at the earliest opportunity.

50. **Ms. Buchanan** (New Zealand) said that, at previous informal consultations of the Committee regarding agenda item 59 (strengthening of the United Nations system), her delegation and others had asked for mock-ups and other additional information on the potential effects of proposed budgetary changes to be made available as official documents of the Committee in all of the official languages of the Organization. That matter should be given priority. Her delegation would value the views of the Advisory Committee on the matters in question, and it hoped that the Advisory Committee would find time to consider them as rapidly as possible. It also appealed to the officers of the Committee to allocate sufficient further time for that agenda item to be considered.

51. **Mr. Eljy** (Syrian Arab Republic) supported the request of the representative of New Zealand for additional information regarding agenda item 59 to be issued in all the official languages of the Organization and for the Advisory Committee to examine that information.

52. **The Chairman** confirmed that the documents which New Zealand had requested would be issued and would be passed to the Advisory Committee. Informal consultations on the matter would be scheduled as rapidly as possible.

Organization of work

53. **Ms. Afifi** (Morocco) said that she was deeply concerned that she had no clear information on the programme of work of the Committee, which now was entering its second month of deliberations. She hoped that the Committee's officers would provide more details, since the chairpersons of the regional groups were having difficulty making plans for their own work. As the chairperson of the Group of 77 and China, her problems were particularly acute: she must accommodate the views and work programmes of three other groups: the Latin American and Caribbean Group, the African Group and the Asian Group.

54. **The Chairman** said that the officers of the Committee met once or twice a week, and information on their discussions was subsequently disseminated as a matter of routine. He had a personal stake in making sure that the Group of 77 and China was kept up to date on developments, since over half of the officers of the Committee were from countries which belonged to the Group.

The meeting rose at 11 a.m.

United Nations A/C.5/58/SR.20

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Summary record of the 20th meeting
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Chairman: Mr. Elkhuizen (Vice-Chairman) ..... (Netherlands)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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03-62736 (E)

The meeting was called to order at 9.35 a.m.

Agenda item 138: Financing of the United Nations Organization Mission in the Democratic Republic of the Congo (*continued*) (A/58/381 and A/58/447 and Corr.1)

1. **Mr. Paolillo** (Uruguay) said that he welcomed the proposal contained in the report of the Secretary-General on the budget for the United Nations Organization Mission in the Democratic Republic of the Congo for the period from 1 July 2003 to 30 June 2004 (A/58/381) and the recommendations of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) set out in its report (A/58/447). Uruguay was committed to restoring and maintaining peace in regions experiencing conflict and, since 1952, had participated in more that 20 missions to that end. It had contributed 1,600 troops to the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) and, despite the high-risk situations to which those troops had recently been exposed, remained convinced that the people of the Democratic Republic of the Congo deserved to live in a climate of peace.

2. He expressed his satisfaction regarding the results-based format of the budget, but felt that there was still ample scope for improvement in that area. When adopting the budget for MONUC, the General Assembly should bear in mind the complex and diverse nature of the Mission and ensure that adequate financing was available for a wide range of activities in such areas as the protection of human rights, gender issues and electoral assistance.

3. Although he acknowledged that the reimbursement process had become more streamlined, he had concerns about the criteria employed in that context. Inexplicable discrepancies meant that Member States had been reimbursed in full for certain items within the regular six-month time frame but had not received reimbursements for other items for two years. He therefore asked what precise criteria were used by the Secretariat.

4. He also expressed concern about the outstanding debts of the Organization to Uruguay on account of its participation in peacekeeping operations in Cambodia. That issue had been raised in the annual report of the Special Committee on Peacekeeping Operations and the Secretariat had been asked to seek alternative solutions to the problem. A number of troop-contributing countries had been reimbursed for their participation in operations in Cambodia, but the criteria for assigning such reimbursements were unclear. He hoped that the Secretariat was not employing selective criteria which had not been approved by the General Assembly and reiterated his request for a written explanation of the situation.

5. In conclusion, he reaffirmed Uruguay's commitment to peacekeeping operations and noted that the success of those operations depended on ensuring an adequate level of resources which must be carefully administered.

6. **Mr. Halbwachs** (Controller), in response to the comments made by the representative of Uruguay, observed that the Organization was not always able to reimburse Member States in full and on time because it did not always receive their assessed contributions in full and on time. Therefore, the only criteria for determining whether or not reimbursements would be paid was whether or not there was sufficient cash available in the relevant account.

7. With specific reference to MONUC, he said that reimbursements for contingent-owned equipment were paid quarterly on the basis of two criteria, namely, whether there was any available cash and whether the claims submitted during the period in question had been certified. Since Uruguay had submitted its claims after the deadline for the quarter ending September 2003, it would be reimbursed at the end of the forthcoming quarter, in December.

8. Lastly, he said that the reimbursements for peacekeeping operations in Cambodia were being paid in two tranches and that the balance of the total due to Uruguay should have been paid that day.

Agenda item 120: Programme budget for the biennium 2002-2003 (A/58/598)

Agenda item 121: Proposed programme budget for the biennium 2004-2005 (A/58/598)

Agenda item 161: Financing of the United Nations Mission in Côte d'Ivoire (A/58/370, A/58/535, A/58/538 and A/58/598; A/C.5/58/12)

9. **The Chairman** drew attention to a letter dated 27 October 2003 from the Secretary-General addressed to the President of the General Assembly (A/58/535)

and to a letter dated 29 October 2003 from the President of the General Assembly addressed to the Chairman of the Fifth Committee (A/C.5/58/12).

10. **Mr. Halbwachs** (Controller), introducing the report of the Secretary-General on the budget for the United Nations Mission in Côte d'Ivoire for the period from 13 May 2003 to 30 June 2004 (A/58/370) and the note by the Secretary-General on the budget for the United Nations Mission in Côte d'Ivoire (A/58/598), in resolution 1479 (2003), the Security Council had decided to establish the United Nations Mission in Côte d'Ivoire (MINUCI) for an initial period of six months. The Secretary-General had proposed a budget of $29,881,700 gross ($28,401,100 net) for the period 13 May 2003 to 30 June 2004, on the assumption that MINUCI would be a peacekeeping operation financed under the peacekeeping scale.

11. Subsequently, in an exchange of letters between the President of the Security Council and the Secretary-General, the former had, on behalf of the Council, expressed the view that MUNUCI should be administered as a special political mission for budgetary purposes. The Security Council had then decided, in resolution 1514 (2003), to extend the mandate of the Mission until 4 February 2004.

12. Consequently, if the General Assembly decided that MINUCI should be funded under the regular budget, additional resources amounting to $13,865,700 gross ($13,414,500 net) would be required for the period 13 May 2003-31 December 2003 under the programme budget for the biennium 2002-2003 and resources amounting to $2,343,900 gross ($2,172,400 net) would arise under the proposed programme budget for the biennium 2004-2005.

13. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on the proposed budget for the United Nations Mission in Côte d'Ivoire for the period from 13 May 2003 to 30 June 2004 (A/58/538), said that the Committee had recommended that the Secretary-General's estimate of $28.9 million should be approved. With reference to paragraph 15 of the report, he said that it would be for the General Assembly to decide whether or not a special account should be established for MINUCI.

14. **Mr. Wittmann** (United States of America) said that his delegation believed that it was important to finance MINUCI from the proper appropriation and it therefore supported the decision to introduce the questioning of its financing under agenda items 120, 121 and 161. It also endorsed the recommendation of the Security Council that MINUCI should be administered as a special political mission for budgetary and other purposes.

15. In adopting resolution 1479 (2003), the Security Council had decided that the situation in Côte d'Ivoire called for unarmed military liaison officers, whose mandate would be to provide liaison services, to observe and to report. There was no provision for organized military campaigns and no offensive or defensive capability was envisaged. The officers would be deployed in teams of two to ten advisers rather than in formed units, they would be peace facilitators rather than peacekeepers.

16. Therefore, when it became clear that MINUCI was being financed as a peacekeeping mission, the Security Council, which had been under the impression that it would be categorized as a special political mission and would be included in the regular budget, had taken the unusual step of making its views known to the Secretary-General. Resolution 1514 (2003) had underscored that point.

17. His delegation did not object to the involvement of the Department of Peacekeeping Operations in planning or administering the Mission. However, it was important that the Committee, in seeking more creative ways to finance support for peace and conflict prevention, should act in accordance with the mandate approved by the Security Council and use that mandate as a key guideline for the creation and management of the Mission. The information contained in A/58/598 regarding the apportionment of costs should be sufficient to enable the Committee to take a decision on an appropriate course of action.

Agenda item 165: Financing of the United Nations Mission in Liberia (A/58/539 and A/58/591)

18. **Ms. Pollard** (Director of the Peacekeeping Financing Division), introducing the report of the Secretary-General on the budget for the United Nations Peacekeeping Mission in Liberia for the period from 1 August 2003 to 30 June 2004 (A/58/539), said that, in resolution 1509 (2003), the Security Council had decided to establish the United Nations Peacekeeping Mission in Liberia (UNMIL) for an initial period of

12 months. The report contained results-based frameworks for the first budgetary period, which would be refined and rendered more objective in the next report.

19. The budget amounted to $564.6 million, of which $9.7 million represented actual expenditures incurred by UNMIL for the period from 1 August to 30 September 2003 and $554.9 million represented the estimated resource requirements for the period from 1 October 2003 to 20 June 2004. It provided for the phased deployment of 14,785 military contingent personnel, 215 military observers, 1,115 civilian police officers, including 360 formed police personnel, and 1,661 civilian personnel. It also provided for the transfer of equipment from the United Nations Logistics Base at Brindisi and other missions.

20. The actions to be taken by the General Assembly were set out in section IV of the report.

21. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on the proposed budget for the United Nations Mission in Liberia for the period from 1 August 2003 to 30 June 2004 (A/58/591), said that the Committee had reviewed the estimates submitted by the Secretary-General and made a number of recommendations. It had also made a number of observations on the structure of the Mission, the grading of civilian personnel, and evaluation and coordination issues. He trusted that those observations would be taken into account and that the results of their implementation would be reflected in the next report.

22. Bearing in mind its experience with missions of a similar nature, ACABQ had recommended that the amount proposed by the Secretary-General should be appropriated but had also recommended that the total amount assessed for the period should not exceed $450 million. The Committee would review the question of additional assessments when it examined the estimates for the 2004/05 period.

23. **Mr. Kelapile** (Botswana), speaking on behalf of the African Group, said that he supported the proposed budget for UNMIL. He welcomed the results-based format of the proposed budget, which, in accordance with the mandate of the Mission, addressed the achievement of objectives related to the Comprehensive Peace Agreement. He took note of the information provided in paragraph 5 of the report of the Secretary-General regarding the phased deployment of personnel. Given the large and complex nature of UNMIL, he also commended the Secretariat for having completed the budget in only 92 days. Including the information in the budget was useful and indicated a clear target line that should be improved upon and used in assessing future performance.

24. He reaffirmed the usefulness of close collaboration between the United Nations and relevant regional arrangements in the attainment of the common goal, the maintenance of international peace and security. The active involvement of the Economic Community of West African States (ECOWAS) in the achievement of a peaceful settlement in Liberia served as a positive example in that regard. With reference to paragraphs 7 to 9 of the report of ACABQ (A/58/591), he said that the coordination of efforts and collaboration by all actors were necessary in order to address, in a comprehensive manner, the interlinked nature of the conflicts prevailing in West African countries, including Liberia. The coordination of efforts should not, however, be turned into a cost-cutting measure.

25. Inter-agency cooperation and coordination was also vital, and in that regard he agreed with the observation of the Advisory Committee contained in paragraph 16 of its report. He called for the active involvement of the Office for the Coordination of Humanitarian Affairs in the process of conceptualizing the humanitarian and human rights component of the Mission and in its overall implementation.

26. There was a need for predictable and adequate resources for the disarmament, demobilization, reintegration and repatriation programme, which was very important both for Liberia and for other West African countries experiencing conflict. Commitment to its implementation must be sustained.

27. In view of the elaborate organizational structure of UNMIL, which reflected its large and complex mandate, he welcomed the distinct separation of the various aspects of the mandate into clearly defined components in order to achieve better coordination and implementation. To that end, activities and functions should be properly grouped together according to their similarities.

28. He took note of the external factors reflected under components 1 and 2 and requested UNMIL to make every effort to ensure that the relevant objectives,

which were crucial to its success, were attained. With regard to the peace process (component 4), he welcomed the initial steps taken to establish an Electoral Advisory Unit and expressed the hope that adequate arrangements would be made to ensure that the expected accomplishment of conducting free, fair and credible elections in Liberia in 2005 was achieved. Furthermore, he hoped that planning for the elections would begin well in advance and took the view that due consideration should be given to using United Nations Volunteers for that purpose. He requested that, when Volunteers were selected for the Mission, full account should be taken of expertise already available in the region.

29. Lastly, he expressed his gratitude to all troop-contributing countries and encouraged the Secretariat to work closely and expeditiously with them to ensure that the phased deployment schedules for military and police personnel proceeded as planned. Attention should be paid to the recruitment of qualified civilian personnel from the region and to the involvement of Member States in the region in procurement activities.

30. **Mr. Martini** (Italy), speaking on behalf of the European Union, the acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia, the associated countries Bulgaria, Romania and Turkey and, in addition, Iceland, Liechtenstein and Norway, said that UNMIL, through its multidisciplinary approach, had a key role to play in the promotion of democratic institutions and a stable environment for civilian life in Liberia. He welcomed the Mission's intention to work in a variety of areas such as institution building, gender policy, child protection and disarmament, demobilization, reintegration and repatriation. However, given that the key to successful peacekeeping operations was coordination between all sections of missions, all the sections and units of UNMIL must work together in order to avoid duplication. He fully supported the observations and recommendations of ACABQ concerning the structure of the civilian component of UNMIL and stressed that it was important to review the organizational structure of the Mission with a view to streamlining it.

31. Consideration of the regional dimension of UNMIL operations was of the utmost importance to the European Union and, in that regard, he expected that the Mission would coordinate closely with ECOWAS and the African Union. In order to ensure a system-wide approach to the many subregional issues, UNMIL must also work together with the United Nations Mission in Sierra Leone (UNAMSIL), MINUCI and the United Nations Peace-building Support Office in Guinea-Bissau, as well as with the United Nations Office for West Africa. In that connection, he welcomed the meeting between the heads of those missions and offices that had recently taken place in Dakar. He agreed with the comments of ACABQ concerning coordination and shared its observation that a really coordinated approach required the involvement of all concerned United Nations entities in the management of any resource. For that reason, he supported the establishment of a Programme Planning and Assessment Unit within UNMIL. With regard to the financing of the Mission, he concurred with the recommendations of ACABQ.

32. **Mr. Hammerschmidt** (Canada), speaking also on behalf of Australia and New Zealand, said that the establishment of UNMIL was a critical step towards the goal of restoring peace to Liberia and alleviating the extremely difficult humanitarian situation prevailing in that country. UNMIL would also play a vital stabilizing role in a region wracked by a number of successive destructive conflicts.

33. The launching of UNMIL was something of a milestone for the United Nations, given that Liberia was the first nation to host a major peacekeeping mission since the establishment of the United Nations Mission in Ethiopia and Eritrea three years previously and that UNMIL was the first major deployment since the implementation of the recommendations of the Report of the Panel on United Nations Peacekeeping Operations (the Brahimi Report). The scope and scale of the operation in Liberia would provide Member States with their first opportunity to assess comprehensively the impact of the Brahimi reform process, which was critical to the peace and security responsibilities of the United Nations and to the prospect of peace for so many around the globe. For that reason, he looked forward to a thorough analysis of the UNMIL experience and the performance of the United Nations in supporting it. The General Assembly had requested two separate reviews of the Brahimi reforms, and he assumed that those reviews would rely significantly on the UNMIL experience in drawing their conclusions.

34. The UNMIL deployment represented an improvement on past operations in a number of ways.

Investments in new and expanded capabilities had shown their value in areas such as strategic and operational planning and early information-sharing with troop contributors. The early mobilization of critical start-up resources had been improved by the creation and employment of pre-mandate commitment authority and the strategic deployment stocks and, thanks to the flexible leveraging of ECOWAS, the Standby High-Readiness Brigade, UNAMSIL and the assets and capabilities of numerous Member States prior to start-up, UNMIL had been able to deploy personnel on a solid footing.

35. He commended the Secretariat on the preparation of a well-constructed, comprehensive and comprehensible budget within such tight deadlines, particularly since the many unknowns at mission start-up made budget forecasting difficult at best. To further fine-tune the budget forecast, he would appreciate an update on the progress of deployment into the mission area. The budget reflected a sound results framework that provided the Mission's management with clear guidance for the implementation of resolution 1509 (2003) and should act as an excellent basis for ensuring that resources and energy were applied in a way that supported the Mission's overall objectives. In that connection, he encouraged the Secretariat to continue refining its results-based budgeting techniques.

36. In view of the size and complexity of UNMIL, the resources required for the achievement of its objectives were significant and could be expected to increase over the forthcoming 18 months. For that reason, it was important to set the Mission on the right footing from the start and to focus, wherever possible, on best financial practices. In that respect, he encouraged the Secretariat to draw upon lessons learned from ongoing operations as well as direction from the Fifth Committee in the specific context of UNMIL activities.

37. Since UNMIL was flanked by United Nations operations in Sierra Leone and Côte d'Ivoire, the Organization had an excellent opportunity to optimize the provision of support and service delivery in the region. Collaboration between UNMIL, UNAMSIL and MINUCI should be strengthened so as to optimize the use of the Organization's transportation, communications, equipment and storage resources. As the initial deployment process neared completion and as regional needs evolved, the Secretariat would be expected to identify potential efficiencies.

38. **Mr. Kozaki** (Japan) said that peace and stability in Liberia were important for peace and stability in the West African region and the entire African continent. In that connection, he wished to commend all parties involved in the mediation efforts that had led to the establishment of the Transitional Government in Liberia.

39. He endorsed the recommendations contained in the report of ACABQ (A/58/591); as the report pointed out, full deployment of almost 15,000 troops by the end of March 2004 might be an overly optimistic expectation. He shared the view of ACABQ that the Mission should draw upon the expertise of other United Nations entities and involve them in a coordinated approach towards implementing the mandate rather than translating every aspect of the Security Council mandate into requests for staff. Furthermore, there was a need to review the organizational structure of the Mission paying particular attention to the grade structure.

40. Lastly, he fully supported the recommendation of ACABQ that the total amount assessed for the period 1 August 2003 to 30 June 2004 should not exceed $450 million. There seemed to be room for savings in the unit cost of rations and training travel costs.

The meeting rose at 10.25 a.m.

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Summary record of the 21st meeting
Held at Headquarters, New York, on Monday, 24 November 2003, at 9.30 a.m.

Chairman: Mr. Pulido Léon (Vice-Chairman) ..... (Venezuela)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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03-62874 (E)

In the absence of Mr. Kmoníček (Czech Republic), Mr. Pulido Léon (Venezuela), Vice-Chairman, took the Chair.

The meeting was called to order at 9.35 a.m.

Agenda item 131: Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994 (A/58/269, A/58/366, A/58/367, A/58/368, A/58/550, A/58/554, A/58/597 and A/58/605)

Agenda item 132: Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 (A/58/226, A/58/288, A/58/368, A/58/449, A/58/593 and A/58/605)

1. **Mr. Halbwachs** (Controller) introduced, under agenda item 131, the report of the Secretary-General on the budget for the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994 for the biennium 2004-2005 (A/58/269), the comprehensive report of the Secretary-General on the progress made by the International Criminal Tribunal for Rwanda in reforming its legal aid system (A/58/366), the report of the Secretary-General on the supplementary estimates arising in respect of Security Council resolution 1503 (2003) on the creation of a new position of Prosecutor of the International Criminal Tribunal for Rwanda (A/58/368), the report of the Secretary-General on the revised estimates arising in respect of Security Council resolution 1512 (2003) on the establishment of five additional ad litem judges in the International Criminal Tribunal for Rwanda (A/58/550), and the second performance report of the International Criminal Tribunal for Rwanda for the biennium 2002-2003 (A/58/597), and, under agenda item 132, the report of the Secretary-General on the budget for the International Criminal Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 for the biennium 2004-2005 (A/58/226), the comprehensive report of the Secretary-General on the progress made by the International Criminal Tribunal for the Former Yugoslavia in reforming its legal aid system (A/58/288) and the second performance report of the International Criminal Tribunal for the Former Yugoslavia for the biennium 2002-2003 (A/58/593). He also drew attention to a note by the Secretary-General (A/58/367), in which it was proposed that, since the Security Council had yet to take action on the issue of the long-term financial obligations of the United Nations with regard to the enforcement of sentences imposed by the International Criminal Tribunal for Rwanda, the General Assembly should continue the temporary arrangements referred to in paragraph 9 of resolution 57/289.

2. A total of $251.4 million gross was required for the International Criminal Tribunal for Rwanda for the biennium 2004-2005. That figure reflected both the initial estimate, which amounted to $235.2 million gross in nominal terms (A/58/269), and additional requirements of $4 million gross for the creation of a new position of Prosecutor of the International Criminal Tribunal for Rwanda (A/58/368) and $12.2 million gross for the appointment of five additional ad litem judges (A/58/550).

3. The growth in the overall requirements for 2004-2005, compared with the revised appropriation for 2002-2003, was due mainly to the impact of changes in inflation, offset by a decrease in exchange rates. Also, provision had been made for the delayed impact of the 109 new posts and the four ad litem judges approved for 2002-2003 but only partly funded in that biennium. In addition, seven new posts, including that of the Prosecutor, were requested for the immediate Office of the Prosecutor, as well as 45 temporary posts in connection with the appointment of the five additional ad litem judges. The creation of the position of Prosecutor of the International Criminal Tribunal for Rwanda and the establishment of an independent Appeals Unit would lead to savings in the budget of the International Criminal Tribunal for the Former Yugoslavia. The combined estimates for the two Tribunals reflected a net increase of $1.6 million and three posts.

4. The report contained in document A/58/366 outlined the reforms implemented by the Rwanda Tribunal to improve its legal aid system. While the process was ongoing, the measures already taken would lead to better management, monitoring and control of the expenses of the legal aid system. Those measures were related to the provision of assistance to defence teams under the Legal Aid Fund, the safeguarding of the integrity of the judicial process and the submission of claims for legal fees.

5. Concerning the second performance report of the International Criminal Tribunal for Rwanda for the biennium 2002-2003 (A/58/597), he said that the General Assembly was requested to revise the appropriation for 2002-2003 to $208.5 million gross, reflecting an increase of $4.5 million gross. In that connection, he noted that lower than anticipated requirements under post and travel owing to the slower pace of trial activities in 2002-2003 had been offset by the impact of changes in inflation.

6. Concerning the budget for the International Criminal Tribunal for the Former Yugoslavia for the biennium 2004-2005 (A/58/226), he said that the Tribunal would strive to bring all priority investigations to the indictment stage by the end of 2004. As investigations were completed, there would be a gradual reduction in the number of posts in the Investigations Division. That was reflected in the initial estimate for 2004-2005, which amounted to $329.6 million gross in nominal terms. As a result of the decision by the Security Council to appoint a separate Prosecutor for the Rwanda Tribunal, the overall requirements would be reduced still further to $327.3 million gross in nominal terms. Provision had been made in the budget for the delayed impact of growth in respect of the 90 posts approved as new posts for 2002-2003 but only partly funded in that biennium. Also, it was proposed that one P-4 post in the Office of the President should be reclassified to the P-5 level and four P-3 posts in the Chambers Legal Support Unit to the P-4 level. In addition, three posts financed from general temporary assistance were being proposed for conversion to temporary posts. The related increase in requirements would be offset by the abolition of 43 posts in the Investigations Division.

7. The recosting of the budgetary provisions for the International Criminal Tribunal for the Former Yugoslavia to 2004-2005 rates took account of the impact of changes in exchange rates ($45.6 million), and inflation ($12.2 million), adjustments to standard salary costs ($5.9 million) and the implementation of the International Civil Service Commission recommendation on net remuneration ($3.7 million).

8. The report contained in document A/58/288 described the progress made by the International Criminal Tribunal for the Former Yugoslavia in reforming its legal aid system, particularly with regard to rationalizing the costs of defence counsel and establishing indigence. Legal aid systems were inherently difficult to administer, as sensitive balances had to be struck between sometimes conflicting objectives. Respecting the accused's right to choose counsel might run counter to the Tribunal's responsibility to provide competent and effective counsel. The Tribunal had recently established a working group consisting of three judges and the Registrar to address those issues.

9. In the second performance report of the International Criminal Tribunal for the Former Yugoslavia for the biennium 2002-2003 (A/58/593), the General Assembly was requested to revise the appropriation for 2002-2003 to $288.3 million gross, representing an increase of $25.7 million gross, compared with the current revised appropriation. Net increases of $21.3 million and $3.8 million would be required to absorb the impact of changes in exchange rates and inflation, respectively. Also, there were additional requirements totalling $599,300 owing to changes in post incumbency. Those requirements were offset by savings under non-post object lines.

10. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related reports of ACABQ (A/58/449, A/58/554 and A/58/605), said that paragraphs 14 to 20 of document A/58/605 contained the comments and recommendations of the Advisory Committee on the second performance report of the International Criminal Tribunal for Rwanda for the biennium 2002-2003 (A/58/597). Subject to those comments and recommendations, the Advisory Committee recommended, in paragraph 20, that the General Assembly should approve the revised appropriation of $208.5 million gross for the Special Account for the Tribunal for 2002-2003.

11. Document A/58/554 contained the observations of the Advisory Committee on the budget for the Rwanda Tribunal for the biennium 2004-2005

(A/58/269). Its comments on the completion strategy developed by the Tribunal were contained in paragraphs 3 to 8. In paragraph 42, it stated that increasing the number of ad litem judges from four to nine would put the Tribunal in a position to complete all its trial activities very close to the end of 2008, the target set by the Security Council in its resolution 1503 (2003). Paragraph 32 contained the comments of the Advisory Committee on the comprehensive report of the Secretary-General on the progress made by the International Criminal Tribunal for Rwanda in reforming its legal aid system (A/58/366). In paragraph 44, the Advisory Committee recommended the appropriation of an amount of $251.4 million gross, which took account of the requirements for the five additional ad litem judges and the creation of the new post of Prosecutor of the Tribunal. In paragraph 31, it stressed the need for continued close collaboration and coordination between the Rwanda Tribunal and the International Criminal Tribunal for the Former Yugoslavia.

12. The comments of the Advisory Committee on the second performance report of the International Criminal Tribunal for the Former Yugoslavia for the biennium 2002-2003 (A/58/593) were contained in document A/58/605. In paragraph 13, it recommended that the General Assembly approve the revised appropriation of $288.3 million gross for the Special Account for the Tribunal for 2002-2003.

13. Document A/58/449 contained the comments of the Advisory Committee on the budget for the Tribunal for the biennium 2004-2005 (A/58/226). In paragraph 19, the Advisory Committee reiterated the need for close cooperation between the two Tribunals. In paragraph 34, it commented on the progress made by the Tribunal in reforming its legal aid system (A/58/288). In paragraph 38, it recommended, based on its observations and recommendations in paragraphs 22, 23, 24, 28, 31 and 33, that the estimated requirements for the Tribunal for 2004-2005 should be reduced by $20 million gross.

14. **Mr. Motomura** (Japan) said that, while the litigation process needed to be expedited at both Tribunals, the current budget levels should be regarded as the upper limit. The estimate for the International Criminal Tribunal for Rwanda for the biennium 2004-2005, however, represented an increase of 23 per cent; that was unacceptable to his delegation. His delegation did not deny the importance of promoting reconciliation in the Great Lakes region, but it was convinced that it was possible for the Rwanda Tribunal to avoid any further increase in its budget while adhering to its completion strategy by improving efficiency and shifting resources to priority areas. The number of posts, which had reached more than 1,000, should also be reviewed.

15. The time had come for a fundamental re-evaluation of the Tribunal, which had existed for almost 10 years without producing any significant results. In the course of that re-evaluation, it should be borne in mind that comparable bodies, including the Special Court for Sierra Leone, were funded through voluntary contributions and that the International Criminal Tribunal for the Former Yugoslavia was referring all but the most serious cases to national courts.

16. The Japanese contribution to the budget of the Rwanda Tribunal amounted to almost $20 million per annum, yet his delegation had not been privy to the discussions in the Security Council concerning the issues he had just raised. There was a clear need for a mechanism to facilitate dialogue between the Council and the major contributors to peacekeeping budgets and the budgets of the two Tribunals. Enhanced transparency and accountability would enable the Governments of those countries to continue to pay their contributions with the support of their taxpayers.

17. He noted with satisfaction that the budget for the Rwanda Tribunal for 2004-2005 was the first to be prepared using results-based budgeting techniques. It was not clear to him, however, why the proposed appointment of five additional ad litem judges would require 45 new support staff and resources of $12.2 million gross. By comparison, the General Assembly, in its resolution 57/289, had approved 42 temporary posts and resources of $4.7 million gross in connection with the appointment of four ad litem judges. He also wished to receive clarification concerning the additional requirements arising from the creation of the position of Prosecutor of the International Criminal Tribunal for Rwanda. He emphasized that, in order to curb the growth of the budget, the Secretariat should first try to redeploy existing resources before seeking new posts. Lastly, he proposed that an evaluation team consisting of representatives of Member States should be dispatched to the Rwanda Tribunal to consider its modus operandi and explore ways of rationalizing its

budget and achieving more efficient budget implementation.

18. **Ms. Lock** (South Africa), speaking on behalf of the African Group, reiterated the importance which the Group attached to the role of the United Nations in maintaining peace and security and its support for the work of the International Criminal Tribunal for Rwanda, which was making a vital contribution to the process of national reconciliation in that country. It was encouraged by the progress made by the Tribunal over the past few years, as demonstrated by the 15 judgements rendered since 1997. It noted that 41 detainees were either engaged in or awaiting trial and that the number of appeals was also on the increase. The Tribunal would thus have a heavy workload in 2004-2005, and it was imperative to ensure that it had adequate human and financial resources. The Group therefore welcomed the strengthening of the Tribunal's judicial capacity from four to nine ad litem judges, which, coupled with the creation of the position of Prosecutor of the International Criminal Tribunal for Rwanda and the establishment of an independent Appeals Unit, would enable the Tribunal to expedite its work. In that connection, she noted the observation of ACABQ that, should the Tribunal complete its trials by the end of 2008, the target set by the Security Council, savings of more than $300 million could be realized.

19. While the reduction in the vacancy rate for Professional staff from 26 per cent in 2001 to 20 per cent in 2003 was encouraging, the figure remained too high. The Group therefore urged the Tribunal to take additional measures to increase recruitment. It was pleased to note, however, that pivotal management positions, which had remained vacant for almost two years, had now been filled, facilitating the Tribunal's efforts to develop its completion strategy. That strategy should continue to focus on the Tribunal's broad mandate of contributing to the process of national reconciliation and to the restoration and maintenance of peace in Rwanda and in the region. In that connection, it was important to ensure that sufficient funds were provided for the Tribunal's outreach programmes. She noted that, in the context of the completion strategy, the Prosecutor had identified almost 40 cases that could be tried by national jurisdictions. It was to be hoped that the budget for the next biennium would provide for the transfer of the trials to Rwanda and other countries. Noting that a donor conference had been convened at which resources had been pledged for the transfer of cases from the International Criminal Tribunal for the Former Yugoslavia, she urged the Secretariat to make similar arrangements in respect of the Rwanda Tribunal.

20. The Group was pleased to note that the budget for the Rwanda Tribunal for 2004-2005 made provision for the upgrading of prison facilities to international standards. While it was grateful to those Member States that were willing to imprison persons convicted by the Tribunal, it considered that the United Nations should contribute to the costs arising from the enforcement of sentences. The Tribunal was to be commended for presenting its budget in a results-based format and for ensuring that the objectives of the completion strategy were reflected in the budget proposal. The steps taken to increase judicial control over proceedings and expedite trials and appeals while giving due regard to the rights of the accused were most welcome. The implementation of the recommendations contained in document A/58/366 could lead to improvements in the management, monitoring and control of the expenses of the legal aid system. The Group looked forward to receiving further information concerning those efforts.

21. It was concerned, however, about the precarious financial situation of the two Tribunals. Noting that allotments to the Tribunals were issued in a piecemeal manner covering only two months at a time and that there was a need to cross-borrow, she urged Member States to ensure that the Tribunals received adequate and predictable financial resources to complete their respective mandates.

22. **Mr. Valenza** (Italy), speaking on behalf of the European Union, the acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia, the associated countries Bulgaria, Romania and Turkey and, in addition, Iceland, Liechtenstein and Norway, said that, although the European Union could not endorse the reduction of $20 million gross in the budget of the International Tribunal for the former Yugoslavia proposed by the Advisory Committee, it was willing to make economies in the budgets of both Tribunals. In that connection, he said that recosting of the proposed budget for the Tribunal for the former Yugoslavia should not be postponed. With regard to the Rwanda Tribunal, he noted that the relevant reports had been issued only very recently and that the related report of

the Advisory Committee was, therefore, by necessity, general in nature.

23. He reiterated the strong support of the European Union for the Tribunals and their role in putting an end to impunity for those guilty of the most serious violations of humanitarian law. The international community expected to see the application of fair and impartial justice in the trials of those accused. That principle could not, however, be separated from the need for efficient and effective management of the Tribunals. Member States had a collective responsibility to provide the Tribunals with the necessary resources to fulfil their mandates, and those resources must be applied in an efficient manner in order to ensure that indictees were brought to trial within an acceptable time frame and that trials were conducted effectively. Unfortunately, the Tribunals had failed to meet those requirements fully. With regard to the current budget proposals, the European Union would support a level of resources which would allow the Tribunals to implement their proposed work programmes but would also seek to impose appropriate budgetary discipline.

24. There had been some very positive developments. As noted by ACABQ, the presentation of both budgets represented a marked improvement on previous years. Not only had the Tribunals presented their budgets in a results-based format, but the quality of the presentation and the relevance of the indicators was commendable.

25. The comprehensive report on the progress made by the International Criminal Tribunal for the Former Yugoslavia in reforming its legal aid system (A/58/288) also contained encouraging information about the new systems for remunerating defence counsel and establishing indigence. The lump sum formula would not only result in budgetary savings but would also encourage all parties to cooperate with a view to conducting proceedings in a more efficient and transparent manner. However, he would have appreciated more information on the impact of those reforms on the projected defence costs for the Tribunal for the former Yugoslavia for the biennium 2004-2005 since, as ACABQ had pointed out, despite the reforms, savings had not been realized owing to a number of other factors.

26. Turning to the issue of defence costs for the Rwanda Tribunal, he said that the position was less clear-cut. Although the Registrar was to be commended for having taken steps to implement some of the recommendations contained in the consultancy report, the European Union remained uneasy that no clear plan of action or future targets for defence costs had emerged from the analysis undertaken. In that connection, it urged the Tribunal to agree upon and implement new procedures for the remuneration of defence counsel which would allow "equality of arms" for indictees but impose reasonable and enforceable limits on those expenses.

27. The European Union supported the institutional developments that had taken place within the Rwanda Tribunal and hoped that they would result in greater achievements. It welcomed the appointment of a separate Prosecutor and the Security Council's decision to allow up to nine ad litem judges to sit in order to speed up proceedings, and emphasized the need for regular cooperation between the two Tribunals. Nevertheless, the resource implications of those measures would be carefully considered. Resource and personnel increases would necessarily arise as a result of them, but the reasoning behind some of the proposed increases in Professional and support staff was questionable. Justification should be provided for the creation of additional posts.

28. He welcomed the Security Council's confirmation that it was within the lawful powers of the Rwanda Tribunal to fund the upgrading of prison facilities in States that had concluded agreements with the United Nations for the carrying out of prison sentences of the Tribunal, but wished to stress that such upgrades should be limited to absolutely essential work. He would appreciate further information on the progress of oversight activities in that respect.

29. The levels of the budgets for the two Tribunals were of concern to the European Union, given that the increases alone amounted to over $100 million per biennium. He recognized that those increases were mainly the result of recosting but expressed disappointment that such modest efforts had been made to offset currency problems with economy measures.

30. The General Assembly was due to review the biennial nature of the budgets for the Tribunals. Despite the many advantages of a biennial process, the European Union was of the opinion that the rapidly shifting nature of resource requirements, the uncertainties of the currency markets and the expected decrease in costs as the Tribunals implemented their

exit strategies might justify a return to an annual budgetary cycle. Lastly, the European Union had taken note of the fact that, as of the end of September 2003, 122 Member States had failed to contribute anything to either of the Tribunals in 2003. That was unacceptable, and he therefore echoed the call of the Under-Secretary-General for Management to all Member States to pay their assessed contributions in full.

31. **Ms. Yoon** Seong-mee (Republic of Korea) expressed her strong support for the work of the two Tribunals, which demonstrated the firm commitment of the United Nations to bringing to justice those who had committed unspeakable atrocities in the former Yugoslavia and Rwanda. She was keenly interested in the efficient and effective management of their work and, in that connection, welcomed the presentation of the budgets in a results-based format. Given that the completion strategies for both Tribunals had now been prepared, results-based budgeting could be used to ensure the timely and successful accomplishment of their work through the implementation of their respective road maps. She appreciated the submission of the completion strategy for the Rwanda Tribunal, but shared the view of ACABQ that it should be revised in order to take account of the recent organizational reinforcement measures.

32. The reform of the legal aid system was critical for the sound management of the Tribunals. Despite the continuous efforts of both Tribunals to rationalize their flawed legal aid systems, the effects of those efforts were not clear and there was more room for improvement. In addition, she was concerned about the continued high vacancy rate at the Tribunals, which hampered the sound planning of their work and placed additional burdens on existing staff. She encouraged the Secretariat to make further efforts to address that problem.

33. She welcomed the measures recently taken to strengthen the Rwanda Tribunal, in particular the appointment of a separate Prosecutor, the increase in the number of ad litem judges and the proposals for a new unit to handle the anticipated increase in appeals. Those measures should further facilitate the work of the Tribunal.

34. Lastly, she was pleased to note that the implementation of the completion strategy for the Tribunal for the Former Yugoslavia would be the main focus of its work during the biennium 2004-2005 and hoped that its efficiency would be increased through flexible organizational arrangements based on a potential decrease in its workload.

35. **Mr. Iosifov** (Russian Federation) said that the two international Tribunals had been established by the Security Council as temporary judicial organs entrusted with restoring and maintaining peace in their respective regions. While they had played an important role in the development of current international legal procedure in criminal matters, they had also been noteworthy for their low productivity and the high costs arising from their activities, and it was becoming increasingly difficult to justify their continued existence from a financial standpoint.

36. He would focus in his statement on the budget for the International Criminal Tribunal for the Former Yugoslavia for 2004-2005 (A/58/226). However, many of the observations he would make were also applicable to the International Criminal Tribunal for Rwanda. While the resources for the International Criminal Tribunal for the Former Yugoslavia for 2004-2005 reflected a decrease in real terms compared to the revised appropriation for 2002-2003, after recosting the estimate represented a significant increase. He was pleased to note, nevertheless, that the budget was presented for the first time in a results-based format.

37. He welcomed the inclusion in the budget proposal of measures for the gradual winding down of the Tribunal's activities, including the transfer of a number of cases to national jurisdictions. In the context of the completion strategy, it was proposed that 43 posts in the Office of the Prosecutor should be abolished and that 13 posts should be redeployed from that Office to the Registry in the second half of 2005. His delegation was not convinced, however, of the advisability of redeploying, rather than abolishing, the 13 posts. The volume of work in the Office of the Prosecutor should be regularly monitored so that posts could be abolished prior to the end of 2005, if appropriate. His delegation supported the recommendation of ACABQ that the proposals for the reclassification of a whole series of posts should be rejected. It agreed that the vacancy statistics for the Tribunal were unlikely to improve significantly, given the gradual winding down of its activities. The travel requirements for investigations seemed too high, taking into account the imminent reduction in investigative activities.

38. In the light of the potential economies he had cited, his delegation endorsed the recommendation of ACABQ that the estimated requirements for the Tribunal for the former Yugoslavia for the biennium 2004-2005 should be reduced by $20 million gross. It also shared the view of the Advisory Committee that it was not necessary to appropriate and assess at the current stage the full recosting provision projected for the next two years. Instead, the General Assembly should monitor the situation and revert to the issue in December 2004.

39. As to the second performance report of the International Criminal Tribunal for the Former Yugoslavia for the biennium 2002-2003 (A/58/593), he said that, while the significant increase in expenditure for the period was largely due to external economic factors, the overall additional requirements could have been lower if increases under certain budget lines had been avoided. The administration of the Tribunal should therefore ensure that expenditure under all budget lines was continuously monitored.

40. **Mr. Hønningstad** (Norway) said that the strong support of his delegation for the work of the Tribunals was well established. As well as contributing to peace and security in the former Yugoslavia and Rwanda and assisting in the process of rebuilding civil society under the rule of law, their work represented a historic step towards ending the tradition of impunity for mass atrocities by establishing effective systems of international criminal law. In addition, the judgements delivered by the Tribunals were essential contributions to jurisprudence in the field of international criminal law and paved the way for the work of the International Criminal Court. He noted, however, that the work of the Tribunals was dependent on the allocation of adequate financial resources and he stressed the importance of ensuring the flow of funds.

41. The documents before the Committee bore witness to positive developments. The report on the reform of the legal aid system of the Tribunal for the Former Yugoslavia was encouraging, and he welcomed the efforts that had been made to rationalize the costs of defence counsel by applying a lump sum formula and establishing indigence. He was confident that the measures already implemented and the planned future reforms would in no way compromise the principles of justice guaranteed by the legal aid system.

42. With regard to the Rwanda Tribunal, he had taken note of the measures proposed in document A/58/366 to improve the legal aid system in order to ensure the efficient use of resources and the protection of the integrity of the Tribunal's judicial process. He trusted that the Tribunal would continue to take steps to refine its operations in accordance with the recommendations of the consultancy report in order to improve the management, monitoring and control of the legal aid system.

43. Turning to the issue of completion strategies, he said that recent developments were promising. Bearing in mind the resources required to try the most serious international crimes, he was impressed and encouraged that the pace of the activities of the two Tribunals had reached an all-time high. Every Member State had a responsibility to help further that process and, in that regard, he echoed the concerns of the representative of Italy regarding the failure of many Member States to contribute to the financing of either Tribunal in 2003.

44. As for the budgets for the Tribunals, he said that he supported the appointment of a separate Prosecutor for the Rwanda Tribunal and welcomed the decision by the Security Council in resolution 1512 (2003) to increase the number of ad litem judges sitting at any one time to nine and to empower them to adjudicate over pre-trial matters. Those reforms would double the trial capacity of the Tribunal, thereby significantly accelerating the completion strategy. In that connection, he agreed that an increase in resources and personnel was legitimate. With regard to the powers of the Rwanda Tribunal to fund the renovation and refurbishment of prison facilities in States that had concluded agreements with the United Nations, he echoed the comments made by the representative of Italy. He also endorsed the views of the representative of Italy regarding the possible return to an annual budget cycle.

45. As far as the budget for the Tribunal for the Former Yugoslavia was concerned, he was not convinced that the reduction of $20 million proposed by ACABQ was justified. He would like to hear the Secretariat's views on the matter.

46. In conclusion, he emphasized the need for continued close collaboration and coordination between the two Tribunals so that they could successfully complete their mandates. Norway would

stand by its long-term commitment to the achievement of that goal.

47. **Mr. Hammerschmidt** (Canada), speaking also on behalf of Australia and New Zealand, said that the three countries demonstrated their support for the International Criminal Tribunals by paying their assessed contributions in full, on time and without conditions. Unfortunately, the vast majority of Member States did not do so, and the worsening pattern of underpayment was exacerbating an already untenable financial situation and calling into serious question the continued viability of the institutions and the desire of Member States to make international justice work. In that connection, he would like to hear the Secretariat's view as to the long-term financial implications for the Tribunals if Member States continued not to pay.

48. It was ironic that the low point in the Tribunals' finances came at a time of growing optimism about their ability to implement their mandates. Significant progress had been made on several fronts over the past year: key vacancies had been filled, the budgets had been presented in a results-based format for the first time and the Rwanda Tribunal had established a strategic-level management council to coordinate its administration. In addition, he was encouraged by the finalization of the completion strategies for both Tribunals and looked forward to the full integration of the completion strategies into the management and administration of both Tribunals.

49. Any optimism about the future of the Tribunals was, however, tempered by continued frustration with the overall lack of budgetary discipline. A number of Member States had made repeated calls for tighter budgetary control, a proactive approach to budgeting and the maximization of existing resources, but, despite assurances that internal measures would be taken to improve efficiency, there was little evidence that a new approach had taken hold. Incremental budgeting seemed to remain the underlying philosophy, with new costs simply added to the already large baselines. There was a need for greater emphasis on reprioritization and the redeployment of resources. Both budgets clearly demonstrated that streamlining and rationalizing the work of the Tribunals would be a priority for the forthcoming biennium. In that connection, he would like to know how the Tribunals planned to achieve those aims and what their expected impact would be.

50. He expected that considerable progress would be made in reforming the Tribunals' legal aid systems, since defence costs for both Tribunals had run well over budget in the past on account of a general weakness in managing, monitoring and controlling legal aid spending. In that regard, he was encouraged by the initiatives taken to date by both Tribunals in that area. The Tribunal for the Former Yugoslavia, in particular, had clearly made significant improvements to the administration of its legal aid system and he would be interested to know what material impact those reforms would have on legal aid costs and the administration of trial costs.

51. The issue of the role of defence in the overall work of the Tribunals had been overlooked in the discussion about legal aid. Defence was indispensable in trial work and therefore needed to be sufficiently addressed in discussions with the principal organs of the Tribunals. The legal professionals at the Rwanda Tribunal could also play a proactive role in the investigation of cases of alleged professional misconduct. No such mechanisms existed at present and as a result there were delays in trial work and high defence costs. While taking into account the need for independence, the defence should play some role in facilitating the trial process and act in a responsible manner. In that respect, the Rwanda Tribunal might benefit from lessons learned at the Tribunal for the Former Yugoslavia.

52. The three delegations for which he spoke would pay close attention to a number of other issues when considering the budgets of the two Tribunals. For instance, the planned reprioritization of resources upon completion of investigative activities was not synchronized with the timelines set out in their completion strategies and, as noted by ACABQ, the management of those resources was not transparent. He also requested justification for the maintenance of so many investigative posts and other resources to support investigative activities. In addition, the rationale for establishing a separate appeals unit needed further exploration.

53. With regard to the Rwanda Tribunal, he said that the creation of the position of a separate Prosecutor should necessitate only a slight increase in resources which could easily be met by redeployment and, although the appointment of five additional ad litem judges was a critical investment in the Tribunal's ability to implement its mandate, he would like to

know the basic justification of the resources requested, since nothing in the relevant proposal indicated whether those resources were appropriate or not. The budgets and each of the additional resource requests must be considered in the context of the Tribunal's expenditure patterns for the current biennium and, in that context, he requested an update on those patterns. He also noted that the repeated late issuance of the second performance reports was unacceptable.

54. In conclusion, he said that the work of the Tribunals was extremely important in the context of the international community's efforts to uphold international law by replacing a culture of impunity with a culture of accountability. To that end, the resources allocated to the two Tribunals must be used effectively, efficiently and in a way that maximized their chances of success.

55. **Mr. Shalita** (Rwanda) said that the International Criminal Tribunal for Rwanda had been established in November 1994 at the request of the Rwandan Government for the sole purpose of prosecuting persons responsible for genocide and other serious violations of international humanitarian law. Rwanda attached great importance to bringing to justice the perpetrators of the genocide in which it had lost one million of its people. The culture of impunity that had fuelled and sustained State-inspired genocide and violence must be eradicated in Rwanda and elsewhere. The continued success of the reconciliation process depended on justice being done and being seen to be done by all Rwandans. The national courts had completed over 3,000 trials for various crimes related to the genocide. For lower-level crimes, the Government had introduced Gacaca community courts with elected judges which tried cases in the presence of members of the community and handed down sentences ranging from community service to short periods of imprisonment.

56. In its nine years of existence, the Rwanda Tribunal had made modest achievements in terms of arrests, trials and convictions, but those achievements had nevertheless had a positive effect in Rwanda. His delegation supported the report of the Secretary-General on supplementary estimates arising in respect of Security Council resolution 1503 (2003) (A/58/368) and the Advisory Committee's endorsement of that report (A/58/554). It hoped that the appointment of a Prosecutor and five additional ad litem judges, the increase in the number of trial chambers and the efforts of the Tribunal's new President to ensure more rapid trials would produce more progress in the coming years as the Tribunal implemented its completion strategy.

57. His delegation recognized that late or piecemeal payment by Member States of their assessed contributions to the budget of the Tribunal threatened the success of its completion strategy. It supported the recommendation of the Advisory Committee that the flow of funds should be maintained to enable the Tribunal to carry out its activities and complete its mandate.

58. Since 1994, Rwanda had been requesting that some trials should be conducted in its territory, so that Rwandans could witness them at first hand. It was pleased that the completion strategy called for cases to be transferred to national courts and that the Office of the Prosecutor planned to begin that process by 2006. Rwanda did not, however, have the resources to meet the costs involved, including the salaries and allowances for defence counsel, interpreters and translators, the construction of detention facilities and the modernization of existing court facilities and offices. Similar arrangements for the transfer of cases from the International Criminal Tribunal for the Former Yugoslavia to national courts were at an advanced stage and a donor conference had been convened. The Government of Rwanda wished the Secretariat to begin making such arrangements for the International Criminal Tribunal for Rwanda. Rules of procedure must also be established for the cases transferred.

59. He welcomed the comprehensive report on the progress made by the International Criminal Tribunal for Rwanda in reforming its legal aid system (A/58/366). Rwanda had repeatedly expressed concern about the systematic abuse of that system, particularly the practice of fee-splitting between the defence counsel and genocide suspects and the hiring of friends and relatives of such suspects as defence investigators or assistants. That concern had been confirmed when a defence investigator had been arrested and had himself been charged with genocide-related crimes. Such incidents had undermined the credibility of the Tribunal in the eyes of Rwandans. While the steps taken to eliminate abuse of the legal aid programme were positive, his Government wondered why they had not been put in place at the outset. It encouraged the Tribunal to involve the Rwandan national police in the vetting process for legal defence staff in order to

ensure that suspects were not recruited to such posts and paid from funds provided by Member States.

60. The system of billing for defence counsel was also open to abuse. Rwanda would like to see a stricter assessment of the hours billed and supported the recommendations in the consultancy report that a team should be appointed to evaluate the sums claimed, that a single person should assess the claims of all members of a defence team and that a single person should also assess the claims of all defence teams when more than one suspect was tried at the same time. That would avoid confusion, facilitate cross-checking and control duplication.

61. His delegation did not, however, support the recommendation that the lists of lead counsel, co-counsel, legal assistants and investigators should be open only to individuals resident in Africa, in order to reduce costs. That would be seen as discriminatory. The Tribunal was international, and individuals assigned to the same mandate must be treated equally.

62. The outreach activities of the Tribunal for Rwanda were critical. They were supposed to highlight the work of the Tribunal and promote justice and reconciliation in the country, but they had so far had no effect. As the Tribunal focused on its completion strategy, it should use the resources earmarked for communications and outreach in a more effective and targeted way.

63. The strategy of the Tribunal must be more proactive and less reactive. His Government favoured "town-hall" public awareness meetings, especially in those districts of Rwanda that were most affected by the genocide, or more aggressive use of radio, in collaboration with the Department of Public Information. Such outreach activities were vital in order to complement the Government's own efforts to promote unity and reconciliation. He asked that the next report of the President of the Tribunal should include a detailed outreach strategy, so that the Tribunal's performance in that area could be assessed.

64. **Ms. Nakian** (United States of America) said that her delegation continued to place great importance on the work of the International Criminal Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda and on their effective and efficient functioning. Significant changes in the Tribunals' operation had made it more essential than ever to pay close attention to them.

65. The presentation of the budgets for the Tribunals in results-based form was a positive development. With the new emphasis on keeping their work on track and looking ahead to the completion of their business, their activities should be kept within existing budget and staff allocations through greater efficiency and redeployment. She was concerned, however, that both Tribunals had failed to identify offsets and savings; as a result, there were considerable increases in the overall budget levels.

66. The escalating costs of the legal aid systems of both Tribunals were particularly alarming, and efforts should be made to contain them by rationalizing the costs of defence counsel and establishing indigence. She welcomed the limited achievements described in the comprehensive report on the progress made by the Tribunal for the Former Yugoslavia (A/58/288), including the introduction of a lump sum system to control and contain defence counsel fees and the appointment of a financial investigator to assess the ability of the accused to pay for their defence. The Tribunal should continue to implement and monitor the reforms. Her delegation expected subsequent reports to provide more specific information on the savings attributed to those reforms.

67. At the International Criminal Tribunal for Rwanda, the steps taken to allow trials to continue if a judge or counsel was ill or absent and the establishment of the New Trial Committee to encourage transparency and cooperation among the branches of the Tribunal were welcome, but more could and should be done. Her delegation was outraged by the finding described in the report of the Office of Internal Oversight Services (A/58/364, para. 70) that a member of the Finance Section of the Tribunal had repeatedly requested and received bribes from several members of defence teams. It was unacceptable that that individual was still employed instead of being immediately barred from any employment at the Tribunal.

68. Her delegation welcomed the steps taken to implement the recommendations in the consultancy report attached to the comprehensive report on the progress made by the Rwanda Tribunal in reforming its legal aid system (A/58/366, annex I), particularly the recruitment of a financial investigator and the lowering of the financial threshold to establish indigence for the accused. It suggested that the recommendation to reduce the maximum number of hours for which

defence teams could claim legal fees should be applied to trials and appeals as well as to the pre-trial stage. The Rwanda Tribunal should continue to implement the recommendations in the consultancy report and to consult the Tribunal for the Former Yugoslavia to benefit from the latter's experiences with similar reforms.

69. Turning to the budgets for the two Tribunals for the biennium 2004-2005, she said that her delegation endorsed many of the recommendations in the reports of the Advisory Committee (A/58/449 and A/58/554). It supported the proposed reduction in travel, overtime and consultant costs for the Registry and the Office of the Prosecutor for the Tribunal for the Former Yugoslavia. It agreed with the Advisory Committee's recommendation that the reclassification of four P-3 posts in the trial sections of that Tribunal should not be approved, because the reasons for it had not been fully justified and it would introduce yet another layer of hierarchy. It also shared the view of the Advisory Committee that the volume of work and the pace of completion of the Tribunal's business should be kept under constant review in order to identify posts that could be transferred or abolished by the end of 2004. Moreover, it welcomed the planned redeployments and abolition of posts, but insisted that the changes should take place immediately.

70. In the case of the Rwanda Tribunal, her delegation agreed that some additional personnel and resources were needed to support the new Prosecutor and ad litem judges, but it questioned the need for 45 additional staff to assist those judges, especially since a large increase in staffing had been approved for the previous biennium and the vacancy rate for posts was consistently high. She also wondered why, if the report of the Secretary-General on supplementary estimates arising in respect of Security Council resolution 1503 (2003) on the creation of a new position of Prosecutor (A/58/368, para. 11) had deemed a total of 17 posts in the Appeals Unit in The Hague to be enough to handle the appeals in both Tribunals, the Appeals Unit in The Hague and the Appeals Unit in Arusha each now needed 11 posts, making a total of 22 posts.

71. Her delegation was disappointed that the Advisory Committee had neither identified possible savings over the resource requirements described in the report of the Secretary-General on the budget for the Rwanda Tribunal for the biennium 2004-2005 (A/58/269), which stood at a substantial $235 million, nor given information on the budget assumptions used to estimate those resource requirements. Such assumptions covered matters such as inflation, exchange rates, post adjustment multipliers and vacancy rates for current and new posts. The budget proposal for the biennium 2004-2005 was 2.4 per cent higher than that for the biennium 2002-2003, but the Rwanda Tribunal had not identified any savings which might absorb the costs of the 109 new posts approved during the previous biennium. Furthermore, while the Tribunal had now developed a completion strategy, it had not identified the redeployment or abolition of posts or resources to reflect new stages in its programme of work.

72. She hoped that the Committee would be able to agree on reasonable budgets which could sustain the important work of both Tribunals as they moved forward with their completion strategies.

73. **Mr. Halbwachs** (Controller) said that a number of delegations had commented on the overall level of resources requested for the two Tribunals. He assured the Committee that the two budget proposals which the Secretariat had submitted were consistent with the resolution adopted by the General Assembly at its fifty-seventh session; in other words, the staffing tables for the biennium 2004-2005 remained within the bounds of those for the 2002-2003 biennium. Any increases in the resources requested were the result of recosting owing to inflation and currency fluctuations, or of new mandates received from the Security Council since the budget had been established, specifically the addition of ad litem judges and a separate Prosecutor for the International Criminal Tribunal for Rwanda.

74. Responding to the question put by the representative of Norway, he said that paragraph 38 of the report of the Advisory Committee (A/58/449), which called for a reduction of $20 million in the estimated requirements for the International Criminal Tribunal for the Former Yugoslavia for the biennium 2004-2005, required some interpretation. It was not clear to him whether the recommendation should be achieved through recosting, a cut in real resources or a combination of both. A reduction in real resources would probably be detrimental to the Tribunal's completion strategy timetable, and lower costs for the biennium 2004-2005 might translate into higher costs later as the Tribunal would need to remain in operation for longer in order to complete its mandate.

75. The representative of Canada had asked about the implications of continued non-payment of assessed contributions for the Tribunals. The Secretariat had so far borrowed $55 million from closed peacekeeping missions to keep the Tribunals in operation. That practice could not continue indefinitely: the resources of closed peacekeeping missions were finite and must eventually be returned to the Member States to which they were owed. If the current pattern of non-payment persisted, the Tribunals would not have enough resources to cover their budgets and the Secretary-General might have to inform the Security Council, perhaps sooner rather than later, that the Tribunals were unable to fulfil their mandates for financial reasons. He appealed to Member States to pay their contributions promptly and in full.

76. The representative of Canada had also commented on the issuance of the performance reports (A/58/598 and A/58/597). Those two reports had been issued in November 2003 in accordance with the biennial timetable applying to the Tribunals, and were therefore not in fact late. The practice was to issue them as early as possible, but there was a need to reflect both the pattern of expenditure over 20 months and the latest exchange-rate information.

Agenda item 120: Programme budget for the biennium 2002-2003 (*continued*)

Second performance report on the programme budget for the biennium 2002-2003 (A/58/558 and Add. 1 and A/58/604)

77. **Mr. Halbwachs** (Controller), introducing the second performance report on the programme budget for the biennium 2002-2003 (A/58/558 and Add.1), said that it provided an estimate of the anticipated final level of expenditures for the biennium 2002-2003, taking into account changes in parameters for inflation and exchange rates and cost-of-living adjustments compared with the assumptions made in the first performance report (A/57/616), which had been reviewed by the Committee and adopted by the General Assembly at its fifty-seventh session and which had formed the basis for the revised appropriation and estimate of income for the biennium. The revised requirements under the expenditure sections were $2,953.9 million, an increase of $62.8 million. The revised estimate under the income sections was $427.6 million, an increase of $13.2 million.

78. Actual expenditure and income information appeared in table 1 (para. 1). Additional requirements were broken down in table 2 (para. 2): $59.1 million owing to changes in exchange rates, $7.7 million to changes in inflation and $19.7 million to commitments entered into under the provisions of General Assembly resolution 56/256 on unforeseen and extraordinary expenses and in respect of the conference-servicing and support requirements of the Counter-Terrorism Committee of the Security Council. The same table summarized the cost reductions: $23.7 million resulting from variations in post costs and adjustments to other expenditure, based on actual and anticipated requirements, and $13.2 million resulting from increases in income.

79. The additional requirement of $59.1 million had been caused by changes in exchange rates across all duty stations with the exception of Addis Ababa, Mexico and Port of Spain, but most of the increase could be attributed to the weakening of the United States dollar against the Swiss franc (a cost of $44.5 million) and the euro (a cost of $10.3 million). For the revised appropriation for 2003, the rate assumed for the Swiss franc had been 1.575 to the dollar, but the average rate so far had been 1.359, creating a significant variance of 13.7 per cent. The rate assumed for the euro had been 1.073 to the dollar, but the average rate for 2003 had been 0.901, causing a variance of 16 per cent. The distribution of the increase by duty station was shown in table 4 (para. 6), while schedules 4 and 5 attached to the report set out the budgeted and realized rates of exchange for all duty stations.

80. The estimated additional requirement of $7.7 million for inflation was attributable to a series of factors. First were the increases in Professional salaries ($0.4 million) resulting from the post adjustment multipliers promulgated by the International Civil Service Commission in 2003, including new multipliers for Addis Ababa (effective May 2003) and New York (effective September 2003). Second were increases in General Service salaries ($2.3 million), since cost-of-living adjustments made in 2003 had been higher than anticipated for a number of duty stations. Table 5 (para. 11) provided a breakdown by duty station of post-related increases and decreases in expenditure resulting from inflation. Schedule 6 provided information on the evolution of the post adjustment indices by duty station, with a comparison

of the projected and actual rates, while schedule 7 provided information on cost-of-living increases for staff in the General Service and related categories. The effect of inflation on non-post items had given rise to an increase of $5.6 million, mainly owing to the pressure of inflation, to some extent in Addis Ababa, but mostly in New York, where market conditions in the insurance industry had forced up the cost of general insurance, after-service health insurance and the malicious acts insurance policy. The increases had been slightly offset by a decrease in staff assessment.

81. General Assembly resolution 56/256 spelled out the conditions under which the Secretary-General was authorized to enter into commitments to meet unforeseen and extraordinary expenses. Commitments in the amount of $14,559,300 were broken down in paragraph 16 of the report. The General Assembly had provided funds to meet the requirements of the Counter-Terrorism Committee between January 2002 and March 2003; since the Security Council had directed that Committee to continue its work, an additional appropriation of $5,094,100 had been requested. A breakdown of that sum was provided in paragraphs 17 to 22 of the report.

82. Paragraphs 30 to 43 of the report and schedule 2 provided details of the cost reduction of $23.7 million resulting from post incumbency and other changes, including the difference between realized vacancy rates and those assumed for the appropriation, differences between actual and average salary costs and adjustments to other objects of expenditure. Schedule 8 provided information on average vacancy rates by budget section. The realized rate of 6.2 per cent for Professional staff was slightly lower than the approved budget rate of 6.5 per cent, and the realized rate of 3.4 per cent for General Service staff was slightly higher than the approved budget rate of 3.1 per cent. Table 6 (para. 45 of the report) provided a breakdown of the increase in income of $13.2 million.

83. The Secretariat was obliged to report on unliquidated obligations. In paragraph 44 of the report it was explained that the amount of such obligations had been $99.7 million at the end of September 2003; that was significantly better than two years previously. The report also indicated, in paragraph 49, the anticipated level of compensation payments arising from judgements of the United Nations Administrative Tribunal, which was $561,643.

84. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee (A/58/604), said that the projected expenditure for the biennium 2002-2003 was estimated to be $2,953.9 million, an increase of $62.8 million compared with the revised appropriation for that biennium. Those amounts should be considered in the light of the comments contained in the report of the Advisory Committee.

85. He drew attention to paragraph 9 of the report, in which the Advisory Committee requested the Secretariat to review whether the commitments made to cover the requirements of the International Court of Justice were sufficient, since it had already concurred to an additional request from the Secretary-General in that connection. The Advisory Committee had commented on the same issue in its first report for the biennium 2004-2005. He also drew attention to the statement in paragraph 13 of the report concerning the lack of information on savings resulting from efficiency measures that could be transferred to the Development Account.

86. Paragraphs 15 to 21 of the Advisory Committee's report contained information regarding the review of the United Nations Postal Administration. One of the Secretary-General's proposals would require an exception to financial rule 103.7 so that surpluses from the operation of the United Nations Postal Administration could be retained to meet its contingent liabilities. The extent of those contingent liabilities was not currently known. Negotiations were in progress between the United Nations Postal Administration and local postal authorities and the Advisory Committee encouraged the administration to make further efforts to promote their success. In the meantime, the Advisory Committee recommended that the current arrangements for accounting for the sale of United Nations stamps should be continued and it therefore did not recommend that an exception to financial rule 103.7 should be granted.

87. The Advisory Committee's comments on measures to strengthen the safety and security of United Nations premises and staff could be found in paragraphs 22 and 23 of its report. Its comments on potential additional requirements would be submitted to the General Assembly at a later stage.

88. **Mr. Martini** (Italy), speaking on behalf of the European Union, the acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia, the associated countries Bulgaria, Romania and Turkey and, in addition, Iceland and Liechtenstein, said that the late issuance of the relevant reports of the Secretary-General and ACABQ meant that the information contained therein was less useful than it could have been. In future, second performance reports should be published before the work of the Fifth Committee began so that Member States would have enough time to analyse them and draw conclusions.

89. He was aware that unfavourable rates of exchange of the United States dollar, together with inflationary increases, both variables beyond the control of the Secretariat, were the main cause of the increase in requirements for the biennium 2002-2003. In addition, he understood that unforeseen and extraordinary expenses arising from, inter alia, safety and security and counter-terrorism activities represented around 40 per cent of the net additional requirements. The Counter-Terrorism Committee had required additional resources amounting to $12 million, a figure that far exceeded predictions made one year previously. Further work was needed to put the Committee's finances on a sounder and more consistent footing. He stressed that one-off expenses must not constitute the basis for automatic increases in expenditure.

90. He welcomed the fact that unliquidated obligations for the biennium 2002-2003 were significantly lower than they had been at the end of September 2001 and encouraged the Secretariat to continue that positive trend. He shared the view of ACABQ that the second performance report should, for the purposes of consistency with results-based budgeting techniques, cover both programme and financial performance for the same period. Financial performance reporting should be based on actual expenditures for the first 21 months of the budget period.

91. He recalled that, when considering the corresponding report for the biennium 2000-2001, the Committee had been faced with a major overspend in the area of conference services, owing principally to the impact of additional meetings on the budget. By using the time allocated more effectively and refraining from holding meetings in the evening or at night, Member States had enabled the Department for General Assembly and Conference Management to adhere more closely to its forecasts. The economies realized from that move were not reported in the second performance report, but in future he expected such initiatives to be accounted for, since meeting discipline was a positive development that could be taken further.

92. Turning to the review of the United Nations Postal Administration, he said that the initial results achieved as a result of the reform process were encouraging. The European Union had actively supported the initiatives to streamline and consolidate the activities of the European offices and looked forward to the restructuring of the New York office in 2004. With regard to the proposal contained in paragraph 24 concerning the need to build a financial reserve, he said that the size of such a reserve fund had not yet been determined and that he would therefore prefer to wait and see whether the future initiatives undertaken by the Secretary-General would yield the expected positive financial results. He looked forward, in particular, to the development of an integrated web site for all United Nations Postal Administration offices and the rationalization of philatelic publications.

93. **Mr. Repasch** (United States of America) said that the performance report, by practice and by necessity, had been issued late in the General Assembly session. The Advisory Committee had covered the most important issues thoroughly, so he wished to focus on its comments.

94. He agreed with the recommendation in paragraph 2 of the Advisory Committee's report (A/58/604) that a single report on programme and financial performance should be issued, using a single reporting cycle, and that the first trial report of that kind should be made ready for submission to the General Assembly at its fifty-ninth session. His delegation had noted the Advisory Committee's recommendation that the next report should be made consistent with results-based budgeting and should be submitted to the General Assembly through the Committee for Programme and Coordination. He wondered whether the final figure provided by the Controller earlier in the meeting had included the cost of the United Nations Mission in Côte d'Ivoire (MINUCI). His delegation had noted the concern expressed by the Advisory Committee in paragraph 11 of its report that vacancy rates at the Economic

Commission for Africa continued to be high and that special measures should be implemented on an urgent basis to address that problem. However, such concern had been expressed very often in the past and he wished to hear what possible solutions remained.

95. His delegation had been among several to have expressed concern in the past about the continuing downward spiral in the operations of the United Nations Postal Administration, and it therefore welcomed the issuance of a report on that issue (A/58/558/Add.1). Although it was pleased that the United Nations Postal Administration's activities had been stabilized, that its expenses had been reduced and that a small surplus was generated, it was alarmed at what it saw as an ominous statement in paragraph 10 of the report that there existed a hidden, yet very serious, liability threat to the United Nations Postal Administration because any of the $344 million worth of stamps sold could be redeemed for postage. He asked if the United Nations Board of Auditors had ever taken up the matter. He also wondered why the Board of Auditors had not recommended the establishment of a reserve many years earlier to cover just such a liability.

96. His delegation agreed with the Advisory Committee that the proposal to grant an exception to financial rule 103.7 in order to retain surpluses from the operation of the United Nations Postal Administration involved too many unknown factors and that there should be no departure from existing arrangements for accounting for sales.

97. **Ms. Goicochea** (Cuba) noted that the Advisory Committee was recommending a change in the current practice of reporting separately on programme and budget performance and that the Secretary-General intended to submit a combined report on the biennium 2002-2003 to the General Assembly at its fifty-ninth session (A/58/604, paras. 2 and 3). Since it was the General Assembly that must decide on any such change in format, she asked whether the Secretary-General intended to submit his report only after the General Assembly had reached a decision.

98. Her delegation endorsed the course of action recommended by ACABQ in connection with the higher unforeseen expenses of the International Court of Justice (A/58/604, para. 9). It believed that the fact that the realized vacancy rate for the Professional category and above was lower than the approved budgeted rate (A/58/604, para. 10) was perfectly in line with the stipulations of resolution 56/253.

99. Like the Advisory Committee, her delegation would like information about any savings that could have been transferred to the Development Account. It welcomed the significant lowering of unliquidated obligations during the previous biennium and hoped that the trend would continue.

100. In connection with the report of the Secretary-General (A/58/558), she asked the Secretariat to specify the amount of the additional requirements resulting from decisions of the Economic and Social Council that were to be absorbed, both in total and by budget section. Also, she would like to know whether the additional requirements for new equipment under budget section 27 C had been foreseen and were in line with replacement standards and, in view of the uncertainty surrounding the capital master plan, would appreciate more information on the savings by the Department of Public Information that had been used to offset the additional costs under section 3.

101. Concerning the United Nations Postal Administration, her delegation agreed with the Chairman of the Advisory Committee that an exception should not be made to financial rule 103.7 in order to establish the reserve fund proposed by the Secretary-General (A/58/558/Add.1, para. 24). It was, moreover, concerned that the proposal to market personalized stamps for profit would not be in keeping with the Organization's international nature; it believed that United Nations stamps should reflect the causes it espoused.

102. **Mr. Yamanaka** (Japan) noted with concern that the second performance report showed the United Nations to be in the same financial situation as it had been two years earlier. Furthermore, no justification had been given for some items requiring additional expenditures. His delegation intended to ask the Secretariat for clarification in detail during the informal consultations on such matters as exchange rates, commitment authority and security and safety.

103. **Mr. Elji** (Syrian Arab Republic), noting the unfortunate delay in the issuance and introduction of the second performance report, said that the slight improvement in the efficiency of the United Nations Postal Administration was not sufficient, especially in view of its performance during the 1980s and 1990s, and that it was inappropriate for the United Nations as

an international organization to introduce personalized stamps and to finance them from outside sources through competitive bidding. It would like more information on the projects under way to enhance security and safety of the United Nations premises and the compatibility of those projects with the medium-term plan. It would also like to know whether any efforts had been made to avoid duplication of resources within the plan itself. Moreover, it would like to have the most recent monthly data on the exchange rates between the dollar and the euro and the dollar and the Swiss franc.

104. **Mr. Halbwachs** (Controller), responding to the questions that had been raised, observed that, by its very nature, the performance report had to be prepared on the basis of 20 months of expenditures, using the latest possible exchange rates. To prepare it any earlier, before the start of the General Assembly as had been suggested, would make it meaningless and inaccurate.

105. The United Nations Mission in Côte d'Ivoire had not been included in the second performance report but its requirements would have to be added to those in the report.

106. Regarding a future combined report on programme performance and budget performance, he said that at the current stage the plan was never to produce such a report but rather to continue to report on financial performance as usual. What was envisaged was to expand the programme performance report currently being prepared by the Office of Internal Oversight Services for issuance in spring 2004 by including detailed financial information linking programme and financial performance. Combined reports would not be meaningful before the end of a biennium.

107. He would obtain the requested details on the additional requirements relating to decisions of the Economic and Social Council that it had been possible to absorb. The Council's decisions, having appeared in late summer, had had a minimal impact on 2003. He would also obtain the information requested regarding stamp issues.

108. The additional equipment requirements under budget section 27 C related to the replacement of obsolete computers in the Office of Human Resources Management that would no longer be maintained by the Information Technology Services Division and therefore had had to be replaced. The Department of Public Information had deferred purchasing a new radio/television digital studio because it would have been imprudent to build a new studio before the general rebuilding scheduled under the capital master plan over the next two years.

Agenda item 120: Programme budget for the biennium 2002-2003 (*continued*)

Agenda item 121: Programme budget for the biennium 2004-2005 (*continued*)

Administrative expenses of the United Nations Joint Staff Pension Fund (A/58/7/Add.9 and A/58/214 and Corr.1)

109. **Mr. Cochemé** (Secretary of the United Nations Joint Staff Pension Board and Chief Executive Officer of the United Nations Joint Staff Pension Fund), introducing the report of the Standing Committee of the United Nations Joint Staff Pension Board (A/58/214 and Corr.1), said that, owing to the biennialization of the work programme of the Fifth Committee, the report covered only the Pension Fund programme budget for the biennium 2002-2003 and its proposed programme budget for the biennium 2004-2005.

110. The overview given in part I indicated that administrative and financial operations had continued to grow in size and scope, and there had been a corresponding increase in the number of benefits in payment, at an average annual rate of over 4 per cent, to over $1.1 billion in 2002. The market value of the Fund's assets had risen to $24.5 billion, compared with $20.9 billion at the end of 2002. Summary tables were provided for the three components of the administrative expenses of the Fund — administrative, investment and audit costs — indicating the post requirements and other resources requested. A fuller explanation of the budget methodology was provided in annex IV.

111. The budget estimates for the biennium 2002-2003 were to be found in part II, and those for the biennium 2004-2005 in parts III to V. No additional resources were being requested for the biennium 2002-2003, but some costs would be carried over and there would be some net savings, as indicated in paragraph 9 of the report. However, the relocation costs would be covered from those expected savings, so that the overall appropriations had not been adjusted downward, and

any ultimate savings would be transferred to the principal of the Fund.

112. The actual budget estimates for the biennium 2004-2005, outlined in table 2, were discussed in part IV, with explanations of the resource growth and/or savings for each component of the budget. The detailed explanations in paragraph 20 were of particular interest. The Standing Committee's proposal regarding the Emergency Fund was to be found in part V of the report (para. 203).

113. Concerning audit costs (paras. 197-199), the Standing Committee had approved the resources requested under external audit costs but had reduced the resources for internal audit costs. Annex II, section C, explained the Standing Committee's concerns over the past performance of the Office of Internal Oversight Services as the internal auditors of the Fund. The repeated failure of the Office to audit the administrative and investment activities of the Fund in accordance with commonly accepted industry standards had finally led the Standing Committee to recommend that a small internal audit unit should be established within the Fund secretariat. To compound the problem, the Office had taken a unilateral decision, beyond its mandate, to audit the Fund's governance mechanisms; that would include the Pension Board, the Standing Committee, ACABQ and the Fifth Committee.

114. The Standing Committee had formed an in-session tripartite working group to examine the budget proposals for the biennium 2004-2005, and had approved its conclusions, which were summarized in annex I, as being in line with the Fund's objectives and action plans originally delineated in 2001. Action on the organizational expansion needed for strategic and risk-reduction purposes had been deferred at the time, pending a whole-office review by an outside consulting group. That group's general endorsement of the Fund's approach had in turn been endorsed in 2002 by the Pension Board, and the Standing Committee, after a further review of the plans in 2003, had shown strong overall support for them.

115. The action plans having budgetary implications for the biennium 2004-2005 were intended to address the risks inherent in the complex and growing demands on the Fund, and to further the Fund's priorities to align resources to activities, strengthen its structure, complete the information technology re-engineering project, and rent new outside premises. On that last point, it would be noted (annex I, section C) that the Fund was now seeking new premises on an urgent basis. The Fund was committed to providing pensions and related benefits to its retirees and their beneficiaries in the best conditions of security, performance, responsibility and accountability.

116. In conclusion, he said it should be noted that the Advisory Committee, in its report (A/58/7/Add.9), had expressed support for most of the recommendations and budget estimates of the Standing Committee.

117. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee regarding the administrative expenses of the United Nations Joint Staff Pension Fund (A/58/7/Add.9), said that the Advisory Committee agreed with the revised appropriation for the administrative expenses of the Fund for the biennium 2002-2003, which reflected a saving of $5.1 million (para. 5). The proposed budget for the biennium 2004-2005 was examined in paragraphs 7 to 10, and the Advisory Committee's views were given in paragraphs 11 to 20. The Advisory Committee had agreed with most of the recommendations.

118. Regarding the rental of new premises (paras. 21-22), ACABQ had exchanged views with the Chief Executive Officer of the Fund and representatives of the Secretary-General, and the additional information it had received was included in annex II. The Advisory Committee had some concerns regarding the increase in travel costs (para. 23). Concerning audit costs (paras. 24-27), the Advisory Committee recommended that neither the current arrangements nor the role of the Office of Internal Oversight Services should be changed pending receipt of the report of the Board of Auditors. In the meantime, however, discussions should continue between the Fund and the Office of Internal Oversight Services. He had the impression that it was a family feud that could be resolved with goodwill on both sides, especially given the fairly good collaboration with auditors in the past.

119. The Advisory Committee recommended that the revised estimates for the biennium 2002-2003 should be approved in the amount of $80.3 million and that the proposed budget for the biennium 2004-2005 should be approved in the amount of $94.7 million.

120. **Mr. Repasch** (United States of America) expressed his appreciation to Ms. McLurg for her years of dedicated service to the Pension Board.

121. The report of the Standing Committee of the United Nations Joint Staff Pension Board on the administrative expenses of the United Nations Joint Staff Pension Fund (A/58/214 and Corr.1) provided a useful overview of the Fund's organization and operations, together with a detailed narrative of its budget proposals for 2004-2005. Despite fluctuations due to market forces, the Fund had experienced dramatic growth in recent years, both in terms of the number of participants and its payouts, and it continued to be a solid guarantor of pension benefits for retirees.

122. His delegation supported the operations of the Pension Fund and endorsed the general thrust of the report of ACABQ (A/58/7/Add.9). However, he noted that a substantial amount of unspent funds would be left at the end of the current budget period and asked for an update on the specific amounts involved and their proposed disposition. He enquired about management's efforts to scrutinize current post allocations with a view to redeploying posts and other resources to higher priority areas, and requested information about instances in which posts had been abolished or downgraded to meet the changing needs of the Fund.

123. He would like an update on the status of the Fund's move to a nearby office building, including the latest costs estimates and a timetable for the completion of the move. He wondered whether any consideration had been given to moving all or part of the Fund to an area where rents were lower. He expressed concern about the 30 per cent increase in travel requirements and requested additional justification for that increase.

124. Given that effective oversight was a critical component of the Fund's operations, he had been shocked to learn that the Standing Committee had recommended firing the Office of Internal Oversight Services and replacing the United Nations auditors with a new internal audit office. He wished to state clearly his opposition to that recommendation and requested a full explanation of the Standing Committee's decision. In accordance with its mandate, the Office of Internal Oversight Services had authority to oversee the staff and resources of the Organization and, since a substantial amount of the Fund's resources were derived from the United Nations, it went without saying that the Office would continue to provide internal oversight of the Fund. If the Fund's management believed that additional oversight services were necessary, he would be interested in hearing its proposals.

125. **Ms. Goicochea** (Cuba) suggested that the auditing role of the Office of Internal Oversight Services should be discussed during the informal consultations.

126. **The Chairman** said that the questions raised by the United States representative would be dealt with during the informal consultations and that note had been taken of the request of the Cuban representative.

Agenda item 12: Report of the Economic and Social Council (A/58/3 (part I, chap. 1))

Delegation of formal authority in matters of personnel of the United Nations Population Fund (A/C.5/58/2 and Corr.1)

127. **The Chairman** said that the Committee had before it a note by the Secretariat (A/C.5/58/2 and Corr.1) drawing the Committee's attention to Economic and Social Council decision 2003/224 in which the Council recommended that formal authority in matters of personnel of the United Nations Population Fund should be delegated by the Secretary-General to the Executive Director of the Fund.

128. **Mr. Agyeman** (Ghana) said that such a transfer of authority would be in the interests of efficiency and accountability within the United Nations system. The decision defined the lines of authority both at Headquarters and in the field, and had been endorsed by all the bodies concerned.

129. **Mr. Repasch** (United States of America) proposed that the Chairman should submit a text for action under agenda item 12 at the next formal meeting rather than in informal consultations.

130. **The Chairman** said that he took note of that suggestion.

The meeting rose at 12.45 p.m.

United Nations A/C.5/58/SR.22

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Held at Headquarters, New York, on Wednesday, 26 November 2003, at 10 a.m.

Chairman: Ms. Bouheddou (Vice-Chairman) (Algeria)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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In the absence of Mr. Kmoníček (Czech Republic), Ms. Bouheddou (Algeria), Vice-Chairman, took the Chair.

The meeting was called to order at 10.10 a.m.

Agenda item 119: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Report of the Office of Internal Oversight Services on the audit of the Investment Management Service of the United Nations Joint Staff Pension Fund (*continued*) (A/C.5/58/L.11)

1. **Ms. Stanley** (Ireland) introduced draft resolution A/C.5/58/L.11 on behalf of the Chairman. As consensus had been reached in informal consultations, she hoped that it would be adopted by consensus.

2. *Draft resolution A/C.5/58/L.11 was adopted.*

Agenda item 120: Programme budget for the biennium 2002-2003 (*continued*)

Conditions of service and compensation for officials other than Secretariat officials: members of the International Court of Justice, judges of the International Criminal Tribunal for the Former Yugoslavia and judges of the International Criminal Tribunal for Rwanda (*continued*) (A/C.5/58/L.12)

3. **Mr. Kendall** (Argentina) introduced draft resolution A/C.5/58/L.12, on behalf of the Chairman. As consensus had been reached in informal consultations, he recommended that it should be adopted by consensus.

4. *Draft resolution A/C.5/58/L.12 was adopted.*

Salary and retirement allowance of the Secretary-General and salary and pensionable remuneration of the Administrator of the United Nations Development Programme (*continued*) (A/C.5/58/L.18)

5. **Mr. Pulido León** (Venezuela), Vice-Chairman, introduced draft resolution A/C.5/58/L.18, on which consensus had been reached in informal consultations. He hoped that it would be adopted by consensus.

6. *Draft resolution A/C.5/58/L.18 was adopted.*

Agenda item 121: Proposed programme budget for the biennium 2004-2005 (*continued*)

Information and communication technology strategy (*continued*) (A/C.5/58/L.14)

7. **The Chairman** introduced draft resolution A/C.5/58/L.14. He took it that the Committee wished to adopt it by consensus.

8. *Draft resolution A/C.5/58/L.14 was adopted.*

Development Account (*continued*) (A/C.5/58/L.19)

9. **Mr. Wins** (Uruguay) introduced draft decision A/C.5/58/L.19 on behalf of the Chairman. Consensus had been reached in informal consultations and he hoped that it would be adopted by consensus.

10. *Draft decision A/C.5/58/L.19 was adopted.*

Additional expenditures deriving from inflation and currency fluctuations (*continued*) (A/C.5/58/L.20)

11. **Mr. Pulido León** (Venezuela), Vice-Chairman, introduced draft decision A/C.5/58/L.20. As consensus had been reached in informal consultations, he hoped that it would be adopted by consensus.

12. *Draft decision A/C.5/58/L.20 was adopted.*

Proportion of General Service staff to Professional staff in the regional commissions (*continued*) (A/C.5/58/L.21)

13. **Mr. Pulido León** (Venezuela), Vice-Chairman, introduced draft decision A/C.5/58/L.21. Consensus had been reached in informal consultations and he recommended that it should be adopted by consensus.

14. *Draft decision A/C.5/58/L.21 was adopted.*

Comprehensive review of the post structure of the United Nations Secretariat (*continued*) (A/C.5/58/L.22)

15. **Mr. Pulido León** (Venezuela), Vice-Chairman, introduced draft resolution A/C.5/58/L.22. As consensus had been reached in informal consultations, he recommended that it should be adopted by consensus.

16. *Draft resolution A/C.5/58/L.22 was adopted.*

United Nations Fund for International Partnerships (*continued*) (A/C.5/58/L.23)

17. **Mr. Tootoonchian** (Islamic Republic of Iran) introduced draft decision A/C.5/58/L.23, on behalf of the Chairman. As consensus had been reached in informal consultations, he hoped that it would be adopted by consensus.

18. *Draft decision A/C.5/58/L.23 was adopted.*

Agenda item 138: Financing of the United Nations Organization Mission in the Democratic Republic of the Congo (*continued*) (A/C.5/58/L.24)

19. **Mr. Pulido León** (Venezuela), Vice-Chairman, introduced draft resolution A/C.5/58/L.24, on which consensus had been reached in informal consultations. He recommended that it should be adopted by consensus.

20. *Draft resolution A/C.5/58/L.24 was adopted.*

Agenda item 140: Financing of the United Nations Mission of Support in East Timor (*continued*) (A/C.5/58/L.16)

21. **Mr. Rajeh** (Saudi Arabia), Rapporteur, introduced draft resolution A/C.5/58/L.16, on which consensus had been reached in informal consultations. He recommended that it should be adopted by consensus.

22. *Draft resolution A/C.5/58/L.16 was adopted.*

Agenda item 143: Financing of the activities arising from Security Council resolution 687 (1991) (*continued*)

(a) United Nations Iraq-Kuwait Observation Mission (*continued*) (A/C.5/58/L.17)

23. **Ms. Samayoa-Recari** (Guatemala) introduced draft decision A/C.5/58/L.17 on behalf of the Chairman. As consensus had been reached in informal consultations, she hoped that it would be adopted by consensus.

24. *Draft decision A/C.5/58/L.17 was adopted.*

Agenda item 165: Financing of the United Nations Mission in Liberia (*continued*) (A/C.5/58/L.25)

25. **Ms. Stanley** (Ireland) introduced draft resolution A/C.5/58/L.25 on behalf of the Chairman. As consensus had been reached in informal consultations, she recommended that it should be adopted by consensus.

26. *Draft resolution A/C.5/58/L.25 was adopted.*

27. **Ms. Nwadibia-Anyanwu** (Nigeria), speaking in explanation of position, said that, while her delegation had no problem with the resolution that had just been adopted, it had taken due note of the comments of the Advisory Committee on Administrative and Budgetary Questions, in its report (A/58/591), on the need for similar activities and functions to be properly grouped together. As the Advisory Committee had indicated, it was not clear why there were two separate job assignments on humanitarian and human rights when those functions could be properly coordinated by one Deputy Special Representative of the Secretary-General. She hoped that arrangement would be adopted in future. Her delegation would also be requesting more information from the Secretariat on a number of other vital issues, including the output on assisting the National Transitional Government of Liberia to restore the proper administration of natural resources.

28. **The Chairman** said that the Secretariat had taken note of the observations of the representative of Nigeria.

Agenda item 166: Admission of the International Criminal Court to membership in the United Nations Joint Staff Pension Fund (*continued*) (A/C.5/58/L.15)

29. **Mr. Kendall** (Argentina) introduced draft resolution A/C.5/58/L.15 on behalf of the Chairman. Consensus had been reached in informal consultations and he recommended that it should be adopted by consensus.

30. *Draft resolution A/C.5/58/L.15 was adopted.*

Agenda item 12: Report of the Economic and Social Council (*continued*) (A/C.5/58/L.26)

31. **The Chairman** introduced draft decision A/C.5/58/L.26 on the delegation of formal authority in matters of personnel of the United Nations Population Fund. He took it that the Committee wished to adopt it by consensus.

32. *Draft decision A/C.5/58/L.26 was adopted.*

Agenda item 121: Proposed programme budget for the biennium 2004-2005 (*continued*)

Request for a subvention to the United Nations Institute for Disarmament Research (UNIDIR) resulting from the recommendations of the Board of Trustees of the Institute on the work programme of the Institute for 2004 (A/58/7/Add.4; A/C.5/58/3)

33. **Ms. Van Buerle** (Office of Programme Planning, Budget and Accounts), introduced the note by the Secretary-General on the request for a subvention to the United Nations Institute for Disarmament Research resulting from the recommendations of the Board of Trustees of the Institute on the work programme of the Institute for 2004 (A/C.5/58/3). In accordance with standard procedure arising from the provisions of the statute of the United Nations Institute for Disarmament Research (UNIDIR) contained in General Assembly resolution 39/148 H, the General Assembly was requested to approve a subvention in the amount of $227,600 for UNIDIR for 2004. A related provision to finance the subvention for the biennium 2004-2005 was included in the proposed programme budget for 2004-2005 under section 4, Disarmament.

34. **Mr. Mselle** (Advisory Committee on Administrative and Budgetary Questions), introduced the fifth report of the Advisory Committee on Administrative and Budgetary Questions (A/58/7/Add.4). The Advisory Committee recommended approval of the subvention of $227,600 to UNIDIR for 2004. Since the amount was already included in the proposed programme budget, no additional provision would be required under section 4 of the proposed programme budget for 2004-2005.

35. **Ms. Attwooll** (United States of America) noted that annex I of document A/C 5/58/3 did not reflect a contribution of $606,000 from the Government of Japan for 2003 that was to be applied to the years 2001, 2002 and 2003. As that contribution had been included in previous reports, she would appreciate clarification. She also wondered whether any additional pledges were expected for either the remainder of 2003 or for 2004, and what efforts were being made to increase voluntary contributions to UNIDIR.

36. **The Chairman** said that the Secretariat would reply to the United States representative in informal consultations.

Revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive and resumed substantive sessions of 2003 (A/58/7/Add.8; A/C.5/58/10)

37. **Mr. Thatchaichawalit** (Officer-in-Charge of the Economic, Social and Human Rights Service, Office of Programme Planning, Budget and Accounts), introducing the report of the Secretary-General on the revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive and resumed substantive sessions of 2003 (A/C.5/58/10), said that the related expenditure requirements were estimated at $2 million net, of which $1.2 million could be absorbed either within the revised appropriation for 2002-2003 or within the resources proposed for 2004-2005. The remaining requirements of $842,700 for 2004-2005 would be charged to the contingency fund. An additional amount of $48,600 required under section 34 (Staff assessment) would be offset by an equivalent amount under Income section 1.

38. In its resolution 2003/60, the Council had decided that the Committee of Experts on Public Administration should meet annually, instead of biennially; that would entail additional requirements of $58,300 under section 9 of the proposed programme budget for the biennium 2004-2005.

39. Resolution 2003/61 concerned the future programme, organization and methods of work of the Commission on Sustainable Development. The adoption of the resolution gave rise to new activities to be carried out in 2003 and 2004-2005. The requirements in 2003 would be met through redeployment of resources. Those in 2004-2005, which totalled $361,400-$235,900 for two new posts (one P-5 and one P-3) and $125,500 for non-post costs — would be met from an existing provision of $555,300 for four meetings of the Commission's ad hoc intersessional working groups, which had been disbanded. The balance of $193,900 would be used for travel by representatives of members of the Commission to attend intergovernmental preparatory meetings and regional meetings.

40. In its decision 2003/242, the Council had endorsed the request of the Commission on Human Rights for its working group to meet for a period of 10 working days to consider options regarding the elaboration of an optional protocol to the International

Covenant on Economic, Social and Cultural Rights; that would result in additional requirements of $337,800 under section 2 of the proposed programme budget for the biennium 2004-2005 and $4,400 under section 29 E. Only the latter amount could be absorbed within anticipated provisions.

41. The Council, in its decision 2003/261, had taken note of a resolution of the Commission on Human Rights in which it was proposed that a two-day high-level seminar should be convened immediately prior to the next session of the Commission's Working Group on the Right to Development. The full cost of the seminar would amount to $63,000 under section 2 of the proposed programme budget, for documentation, and $63,200 under section 24, for the preparation by consultants of six specialized papers. No additional appropriation would be required under section 24.

42. In its decision 2003/264, the Council had authorized the Subcommission on the Promotion and Protection of Human Rights to convene an annual intersessional forum on economic, social and cultural rights in Geneva, to be known as the Social Forum. The full cost of the Forum would amount to $336,200. However, if the annual meetings were held during the sessions of the Subcommission, no additional appropriation would be required; if the Forum were held back-to-back with the sessions of the Subcommission, an additional appropriation of $12,800 would be required in 2004-2005 for the additional two-day daily subsistence allowance for its 10 members. The General Assembly was requested to select one of the three options just described.

43. In its decision 2003/269, the Council had authorized eight fully serviced additional meetings for the sixtieth session of the Commission on Human Rights. The additional requirements under section 2 amounted to $193,800.

44. In its decision 2003/280, the Council endorsed the recommendation by the Committee for Development Policy to include Timor-Leste in the list of least developed countries. The requirements for travel by representatives of Timor-Leste, pursuant to General Assembly resolutions 1798 (XVII) and 41/213, were estimated at $42,500 for 2003 and $91,900 for 2004-2005. While the requirements for 2003 could be absorbed within existing resources, an additional provision would be needed under section 1 of the proposed programme budget for the biennium 2004-2005.

45. Lastly, in its decision 2003/291, the Council had decided that the duration of the regular sessions of the Commission on Science and Technology for Development should be reduced from two weeks to one; that would result in savings of $228,300 under conference-servicing resources.

46. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of ACABQ (A/58/7/Add.8), said that, in paragraph 3, the Advisory Committee noted that the resolutions and decisions adopted by the Economic and Social Council at its substantive and resumed substantive sessions of 2003 would give rise to estimated requirements of $2 million, of which $842,700 would be charged to the contingency fund. It recommended that the Fifth Committee should take note of the estimate of $842,700, on the understanding that such appropriations as might be necessary would be considered in the context of a consolidated statement of programme budget implications and revised estimates to be submitted to the General Assembly in the near future.

47. **Ms. Goicochea** (Cuba), referring to the meetings of the Social Forum (A/C.5/58/10, paras. 27-30), said that it was not clear to her what action the General Assembly was required to take or how the Council would then proceed.

48. **Ms. Attwooll** (United States of America) said that her delegation had understood that the additional requirements for travel arising from the annualization of the meetings of the Committee of Experts on Public Administration would be met through redeployment of resources. It was surprised and disappointed that that was not the case.

49. **Mr. Thatchaichawalit** (Officer-in-Charge of the Economic, Social and Human Rights Service, Office of Programme Planning, Budget and Accounts) said that the General Assembly was requested to take a decision concerning the scheduling of the Social Forum. That decision would then be conveyed to the Council, which would be invited to proceed on that basis. He would respond to the point raised by the representative of the United States in informal consultations.

United Nations Institute for Training and Research (A/58/7/Add.10 and A/58/544)

50. **Mr. Thatchaichawalit** (Officer-in-Charge of the Economic, Social and Human Rights Service, Office of Programme Planning, Budget and Accounts), introducing the report of the Secretary-General on the United Nations Institute for Training and Research (A/58/544), said that the report, which had been prepared on the basis of consultations with the Executive Director of the United Nations Institute for Training and Research (UNITAR), addressed all the issues referred to in General Assembly resolution 57/292, including the status of voluntary contributions, the payment of the accumulated debt of the Institute and the provisions offered to other comparable organizations. It also contained specific proposals on how best to deal with the Institute's past and future maintenance and rental costs.

51. Divergent trends were to be observed with regard to the operations of the Institute's General Fund and Special Purpose Grants Fund. The expenditures of the General Fund appeared to be decreasing, while those of the Special Purpose Grants Fund had increased, resulting in a rise in programme support costs, which constituted one source of income for the General Fund. As at December 2002, the balance of the General Fund had stood at $662,756 and that of the Special Purpose Grants Fund at $5.1 million.

52. The current arrangements regarding rental rates and maintenance costs for other comparable organizations, specifically the United Nations Institute for Disarmament Research (UNIDIR) and the United Nations Research Institute for Social Development (UNRISD), were described in section V of the report.

53. It was proposed that, in order to compensate the Institute for the General Fund expenditures relating to the provision, free of charge, of training to diplomatic personnel of the missions to the United Nations, the Institute should be provided with an annual subvention in an amount not exceeding its annual rental and maintenance costs, which had amounted to $165,630 in 2002. Should the General Assembly adopt the proposal, an additional provision of $331,300 would be required under section 29E of the proposed programme budget for the biennium 2004-2005; that amount would represent a charge against the contingency fund.

54. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of ACABQ (A/58/7/Add.10), said that the comments of the Advisory Committee were contained in paragraphs 1 to 11, while paragraphs 12 and 13 contained its substantive recommendations. The Advisory Committee was of the view that providing the Institute with an annual subvention was a policy matter to be decided by the General Assembly. Should the Assembly endorse the Secretary-General's proposal, an additional provision of $331,300 would be required; that provision would represent a charge against the contingency fund.

55. The Advisory Committee considered that the loan owed to the United Nations should be repaid within a shorter time frame than that proposed in the report of the Secretary-General (A/58/544). Accordingly, it recommended that the Executive Director of the Institute should explore the possibility of releasing part of the accrued interest on special purpose grants so that it could be applied towards loan repayment.

56. **Ms. Nwadibia-Anyanwu** (Nigeria) said that the training courses offered by UNITAR were vital to delegates, enabling them to enhance their work in the various committees of the United Nations, and that those laudable activities must continue. Her delegation therefore welcomed the proposals contained in the report of the Secretary-General (A/58/544). It urged Member States to support the recommendation in paragraph 40 (a) that the Institute should be provided with an annual subvention in respect of its rental, maintenance and other costs. In that connection, she noted that, since most voluntary contributions to the Institute were earmarked for specific projects, it had no flexibility to apply such funds to administrative expenses. The time had come to resolve the issue of the Institute's past and future maintenance and rental costs once and for all. Her delegation therefore strongly supported the recommendation contained in paragraph 40 (b) of the Secretary-General's report concerning repayment of the amount owed to the United Nations. Lastly, she reiterated her delegation's unequivocal support for the Institute.

57. **Ms. Goicochea** (Cuba) said that her delegation wished to endorse the statement made by the representative of Nigeria. Concerning the proposal to provide an annual subvention to UNITAR, which it supported, she asked whether the level of the subvention would be fixed, or whether it would be adjusted in the future to take account of inflation. Her delegation also welcomed the proposal in paragraph

40 (b) regarding repayment of the amount owed by the Institute to the United Nations. Noting that the Advisory Committee had recommended a different approach, she asked what the impact on the Institute's activities would be should the General Assembly act on that basis.

58. **Ms. Attwooll** (United States of America) said that UNITAR was to be commended for its positive contribution to the United Nations and its efforts to keep its end-of-year balances high. She noted that the General Fund would still show a positive balance even after the deduction of the rental and maintenance costs for 2004-2005. The United Nations already provided the Institute with in-kind contributions, including administrative support and conference-servicing facilities, worth approximately $316,000. Moreover, it had previously released the Institute from more than $10 million of debt. She asked what the United Nations policy on non-payment of rent was, on what authority the Organization had continued to fund the maintenance, cleaning, messenger, security and shuttle services provided to UNITAR, and whether the Institute had explored the option of charging for the services currently provided to diplomatic personnel at no cost. Lastly, it was not clear to her why reimbursement of programme and administrative support to the operations and expenditures of the Special Purpose Grants Fund had not been established at the standard rate of 13 per cent, as had been recommended in a number of audits. Raising the rate of reimbursement would significantly improve the financial position of the General Fund.

59. **Mr. Thatchaichawalit** (Officer-in-Charge of the Economic, Social and Human Rights Service, Office of Programme Planning, Budget and Accounts) said that some UNITAR programmes were already self-sustaining. The rate of reimbursement varied because the uses to which special purpose grants could be put were determined in agreements between the Institute and donors. The recommendations of the various audits had been noted. Indeed, in paragraph 40 (b) of the Secretary-General's report (A/58/544), it was recommended that UNITAR should apply a consistent programme support rate to the Special Purpose Grants Fund. He would reply to the other questions posed in informal consultations.

Revised estimates: effect of changes in rates of exchange and inflation (A/58/7/Add.11 and A/58/528)

60. **Mr. Halbwachs** (Controller), introducing the report of the Secretary-General on revised estimates (A/58/528), said that, in accordance with established practice, the Secretariat was submitting an updated report reflecting the recosting of the budget. The present report was being submitted two months earlier than usual in order to facilitate the work of the Fifth Committee. He drew attention to table 1, which provided a summary of the results of recosting. Taking account of the adjustments recommended by the Advisory Committee on Administrative and Budgetary Questions, the revised estimated programme budget amounted to $3,167,615.9.

61. Table 2 contained the revised estimates for income sections 1 to 3 of the proposed programme budget for the biennium 2004-2005 and schedules I to IV provided the rates of exchange relative to the United States dollar and annual rates of inflation by duty station, post adjustment multipliers by main duty station, annual cost-of-living adjustments by main duty station (General Service), and the effects of recosting by budget section and main determining factor, respectively.

62. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the twelfth report of ACABQ (A/58/7/Add.11), said that the report contained brief comments and recommendations relating to the report of the Secretary-General. The Advisory Committee had found no technical basis for objecting to the Secretary-General's revised estimates and, accordingly, had transmitted them to the Fifth Committee for consideration. The Advisory Committee also drew attention to the comments in its first report on the proposed programme budget for the biennium 2004-2005 with regard to the December recosting (A/58/7, paras. 153-157).

63. **Ms. Goicochea** (Cuba) expressed her satisfaction at the early submission of the report of the Secretary-General. She wished to reaffirm her delegation's position on the proposals of ACABQ contained in paragraphs 153-157 of its first report (A/58/7) concerning December recosting. In accordance with established practice, adjustments to the initial budget

estimates should continue to be made in December, not during consideration of the first performance report.

Agenda item 134: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*) (A/58/596 and A/58/609)

64. **Ms. Pollard** (Director of the Peacekeeping Financing Division), introducing the note by the Secretary-General on the transfer of buildings to the United Nations Logistics Base at Brindisi (A/58/596), said that the Government of Italy had indicated its willingness to transfer five additional buildings, with a total floor space of 1,760 square metres, to the United Nations Logistics Base at Brindisi. Those buildings, which were located within the premises of the Logistics Base, had been identified with a view to accommodating the current operations and the Strategic Deployment Stocks assets. The alternative of constructing containerized offices would require additional funds estimated at $985,671.

65. It was proposed that the United Nations should renovate the five buildings at an estimated cost of $140,000. Thereafter, the cost of maintenance, estimated at $15,000 per annum, must also be borne by the United Nations. The Logistics Base appropriation for the period 1 July 2003-30 June 2004 would absorb the additional costs associated with the renovation of the five buildings and the maintenance thereof. The approval of the General Assembly was therefore sought consistent with Financial Regulation 3.11.

66. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of ACABQ (A/58/609), said that, in the light of the information contained in the note by the Secretary-General and the comments of ACABQ, the Advisory Committee recommended that the General Assembly should approve the acceptance of five additional buildings pledged by the Government of Italy.

67. **Mr. Medina** (Morocco) said that he wished to express his gratitude to the Government of Italy for its offer, which was a clear indication of the importance attached by Member States to United Nations peacekeeping operations.

Agenda item 121: Proposed programme budget for the biennium 2004-2005 (*continued*)

Administration and management of the Office of the United Nations High Commissioner for Human Rights (A/58/569 and A/58/7/Add.12)

68. **Mr. Thatchaichawalit** (Officer-in-Charge of the Economic, Social and Human Rights Service, Office of Programme Planning, Budget and Accounts), introducing the report of the Secretary-General on the administration and management of the Office of the United Nations High Commissioner for Human Rights (A/58/569), said that the report had been submitted in direct response to General Assembly resolution 57/313. It also represented a response to General Assembly resolution 57/300, in which the Secretary-General had been encouraged to improve the effectiveness and management of the Office of the High Commissioner for Human Rights (OHCHR), and, as such, it built on the commitment to strengthen management contained in action 5 of the proposals for strengthening the United Nations (A/57/387 and Corr.1). In particular, the management structure of OHCHR would be made more robust by clarifying the respective responsibilities of the High Commissioner and the Deputy High Commissioner. Moreover, OHCHR would build on the implementation of measures in relation to actions 2, 3 and 4 of the aforementioned proposals (A/58/387 and Corr.1). More detailed information on the status of the implementation of those actions could be found in document A/58/351.

69. Annex I to the report presented a summary of the resources proposed for 2004-2005 relating to actions 2 to 5 described in the report of the Secretary-General on the strengthening of the United Nations (A/57/387 and Corr.1) and annex II showed the status of the implementation of the recommendations contained in the management review of OHCHR carried out by the Office of Internal Oversight Services (A/57/488) and the related resource requirements.

70. He noted that the proposals contained in the report would have no effect on section 24 of the proposed programme budget for 2004-2005. The only changes were those set out in annex III to the report, which clearly identified the responsibilities of the relevant actors, and a number of modifications to the nomenclature. It was recommended that the General Assembly should proceed to take action on section 24 of the proposed programme budget for 2004-2005.

71. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the thirteenth report of ACABQ (A/58/7/Add.12), said that the Committee's recommendations on non-post resources under section 24 were contained in its first report on the proposed programme budget (A/58/7). The report now under consideration dealt specifically with recommendations on post resources.

72. Drawing attention to paragraphs 7 to 9 of the Advisory Committee's report, he said that the Advisory Committee recommended that consideration of the establishment of a new D-2 post should be postponed to give the new High Commissioner the opportunity to review the matter. In the meantime, the current funding arrangement of the L-7 post should be maintained.

73. The Advisory Committee recommended that the functions described for a new P-3 post in the Partnership Unit of the External Relations Branch should be covered through redeployment. It agreed with the establishment of one P-4 research and analysis post in the area of the right to development. It also recommended the establishment of one new P-5 post in the Petitions Unit, on a temporary basis, and the approval of one new P-4 post for the Treaty Implementation Unit, on a permanent basis. In that connection, he drew attention to paragraphs 12 and 13 of the report.

74. The Advisory Committee had not been able to recommend the establishment of a D-1 post to head the Special Procedures Branch, but it agreed with the establishment of two additional posts, one P-5 and one P-4, to strengthen the capacity of the Branch. Lastly, the Committee agreed with the conversion of three posts (one P-5, one P-4 and one P-3) from general temporary assistance to established posts. Depending on the actions taken by the Fifth Committee, the Secretariat would have to prepare a statement detailing the financial implications of the recommendations of ACABQ.

75. **Mr. Martini** (Italy), speaking on behalf of the European Union, the acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia, the associated countries Bulgaria, Romania and Turkey and, in addition, Iceland and Liechtenstein, said that he felt compelled to express his deep disappointment regarding the late issuance of the reports under discussion, since such delays hindered the thorough and transparent examination of all related financial issues.

76. Further developments in the field of human rights and in other interrelated areas should be regarded as a major goal of the United Nations and, as such, they should be adequately and consistently financed by Member States. Management of support activities in those crucial areas must, however, also comply with general efficiency criteria in order not to waste resources.

77. The Advisory Committee's recommendations would receive the most careful attention from the European Union during the current session so that results that matched the necessary strengthening of the management of OHCHR would be achieved with efficient resource allocation.

78. **Ms. Goicochea** (Cuba) said that she attached great importance to the activities of OHCHR, the objective of which should be the full realization of human rights.

79. She observed that the letter and spirit of a number of paragraphs of General Assembly resolution 57/300 entailed the adoption by the General Assembly of specific decisions concerning the proposed reform measures and that both the report of the Secretary-General (A/58/569) and the proposed programme budget for section 24 requested resources to implement a number of those decisions before their adoption had been approved by the relevant intergovernmental bodies. In addition, the content of paragraph 6 of the report of the Secretary-General exceeded the scope of objective 19.16 of the medium-term plan for 2002-2005 and, consequently, also went beyond objective 1 of subprogramme 3 of the proposed programme budget. She was opposed to practices that sought to introduce elements in respect of which no intergovernmental agreement had been reached.

80. Turning to the resources requested for the implementation of action 3, she asked the Secretariat to indicate the decisions that had been taken in that connection by intergovernmental bodies as a follow-up to the consultations referred to in paragraph 7 of the report of the Secretary-General. She added that the establishment of the Petitions Unit, recommended by the Office of Internal Oversight Services, must take place in conformity with the decisions arising from those consultations.

81. An essential component of the Secretary-General's proposals related to the regularization of posts under the 200 and 100 series. In that connection, she inquired as to the impact that such changes would have on the implementation of personnel policies, in particular the staff rules for staff under those series. She also requested information about established practice in other Secretariat bodies with similar characteristics. She asked for written information, by nationality, about the series 200 staff whose conversion to series 100 had been proposed and about the overall composition of the staff of OHCHR. She also wished to know about the Secretariat's plans for issuing vacancy announcements for external candidates to fill those posts.

82. She expressed concern over the fact that the Secretariat had already created the post of Chief of Staff without prior authorization from the General Assembly, particularly since, as pointed out by ACABQ, the functions of that post overlapped with those of the Deputy High Commissioner and of the Director of the New York office of OHCHR. She was therefore opposed to maintaining the post, even at the L-7 level.

83. In recruiting staff under the 200 series, OHCHR had taken decisions that exceeded its mandate. She therefore, had serious reservations about the approval of those posts. The recruiting practices of OHCHR must be given detailed consideration by the General Assembly and any resolution adopted must provide for corrective measures to rectify the situation.

84. She took note of the proposed organizational structure described in paragraphs 11 and 12 of the report of the Secretary-General and requested further information about the need to retain the External Relations Branch and to create a post of Chief of Staff. She would have liked to have seen the establishment of a separate entity devoted to the right to development and, in that connection, asked about the number of posts dedicated to that particular field. In general, she did not agree with the Secretariat's proposals regarding the establishment of new structures in order to improve the efficiency and management of OHCHR.

85. The report of the Office of Internal Oversight Services referred to the fact that some of the mandated activities of OHCHR were financed from extrabudgetary resources. In addition, the share of OHCHR in the United Nations regular budget had decreased. In that connection, she took the view that sufficient resources should be allocated from the regular budget to enable the Office to carry out all its mandated activities. She requested the Secretariat to provide the Committee with information relating to the sums allocated to the various priorities set out in the medium-term plan during the past four bienniums and the percentage growth of those sums from one biennium to the next. The same information should also be provided in respect of the non-priority sections. She also wished to know how many posts had been approved for the sections in question and what the increase in those posts was as compared to the preceding biennium. Lastly, she inquired as to the percentage of extrabudgetary resources allocated to each of those sections over the past four bienniums.

86. **Mr. Thatchaichawalit** (Officer-in-Charge of the Economic, Social and Human Rights Section, Office of Programme Planning, Budget and Accounts), responding to the issues raised by the representative of Cuba, said that all actions in the field of human rights had been formulated within the existing mandate of OHCHR, in particular the medium-term plan, and there had therefore been no deviation from the legal framework.

87. As far as the regularization of staff under the 100 and 200 series was concerned, all the necessary arrangements would be made within the framework of existing regulations, namely the staff rules. He would provide the precise information requested as soon as possible.

Agenda item 120: Programme budget for the biennium 2002-2003 (*continued*)

Agenda item 121: Proposed programme budget for the biennium 2004-2005 (*continued*)

Agenda item 161: Financing of the United Nations Mission in Côte d'Ivoire (*continued*) (A/58/370, A/58/535, A/58/538 and A/58/598; A/C.5/58/12)

88. **Mr. Motomura** (Japan) said it was regrettable that his Government had received no responsible explanation about the kind of discussions that had taken place in the Security Council concerning peacekeeping operations and special political missions and how their mandates had been decided upon. Japanese taxpayers bore one fifth of the United Nations budget, and it was unacceptable for the Organization to

take their contribution for granted by simply sending the bill for those activities without providing any explanation about them. It was essential that peacekeeping operations and special political missions should be fully accountable to the international community and, in that connection, he reiterated his view that some kind of dialogue mechanism should be established between the Security Council and the major contributing countries.

89. The United Nations Mission in Côte d'Ivoire (MINUCI) had been established as a peacekeeping operation in May 2003. However, in October 2003, the General Assembly had been notified, by means of a letter from the Secretary-General, that it was actually a special political mission. He wondered whether that change involved a serious procedural flaw which could undermine the trust of the international community. Without detailed facts, he asked how non-members of the Security Council could know what criteria were used to differentiate between peacekeeping operations and special political missions and what it meant to convert a mission that fell within the purview of the Department of Peacekeeping Operations into a special political mission for budgetary and other purposes.

90. If the Organization continued to allow the adoption of such unilateral measures, his Government would have to give serious consideration to whether a separate account should be created in order to manage the budget for special political missions, which were contributing to the rapid increase in the regular budget of the United Nations. Based on the Security Council resolution and the report of the Secretary-General, his Government had proceeded with its domestic budget procedure on the understanding that MINUCI was a peacekeeping operation. He wished to make it clear that it would be extremely difficult to make budget provisions in circumstances where there was no explanation concerning the sudden change.

91. Lastly, he said it was extremely regrettable that the budget for MINUCI was being considered when the budget itself was extremely brief and without a report from ACABQ. Appropriate procedure for considering the budget should be observed.

92. **Mr. Kelapile** (Botswana), speaking on behalf of the African Group, said that the Group welcomed the proposed budget for the United Nations Mission in Côte d'Ivoire (MINUCI) (A/58/370) and the recommendation of the Advisory Committee that the General Assembly should approve it (A/58/538). The role of the United Nations in maintaining international peace and security was critical; it should not be considered marginal. Conflicts anywhere endangered everyone. It was only by the collective maintenance of global peace that the peace of individual countries could be safeguarded.

93. In the past, the African Group had expressed concern about the selective approach to the establishment of peacekeeping operations, particularly in Africa. It wished to emphasize that there should be equal and non-discriminatory treatment in that regard. The African countries would continue to play an active part in wide-ranging efforts to bring peace to the West African region. With the support of French forces, troops of the Economic Community of West African States (ECOWAS) had taken the leading role in helping to maintain the fragile peace in Côte d'Ivoire.

94. The situation in that country must be rapidly consolidated to ensure the full implementation of the Linas-Marcoussis Agreement, which provided the framework for returning the country to normality. The African Group shared the concern that, unless urgent action was taken, the tenuous security situation might deteriorate further. It welcomed the recent announcement by the Secretary-General that the full complement of military observers would be deployed as a response to the situation.

95. The African Group welcomed the clarification provided by the Secretary-General in his letter dated 23 October 2003 to the President of the Security Council (A/C.5/58/12, appendix II) that he had noted the Security Council's view that, for budgetary and other purposes, the United Nations Mission in Côte d'Ivoire should be administered as a special political mission. The Group had taken note of the confirmation in paragraph 4 of the note of the Secretary-General on the budget for the United Nations Mission in Côte d'Ivoire (A/58/598) that the Security Council, in its resolution 1514 (2003), had decided to extend the mandate of the Mission until 4 February 2004.

96. The African Group entirely concurred with the view of the Secretary-General that the responsibility for apportioning the expenses of the Organization lay with the General Assembly. The information provided on the matter had confirmed the established respective roles of the Security Council and the General Assembly: the Security Council established the

mandates of missions to support peace, but the General Assembly decided on the method of financing those mandates. Although it understood that division of responsibility, the African Group would like the Secretariat to clarify the distinguishing criteria that had been used in the past to designate particular missions relating to peace and security as special political missions.

97. The situation in Côte d'Ivoire was uncertain, and the peace processes in the neighbouring countries were fragile. The African Group would therefore have preferred to see a genuine peacekeeping operation authorized for Côte d'Ivoire. It hoped that when the Mission's mandate expired in February 2004, the Security Council would take account of the findings of the assessment mission which the Group understood the Secretary-General wished to dispatch. The situation in the country should be kept under constant review.

98. In paragraph 4 of its report on the proposed budget for the United Nations Mission in Côte d'Ivoire (A/58/538), the Advisory Committee had expressed the view that the Mission had too many organizational units and had recommended consolidation of the Political Affairs Office with the Civil Affairs Office. However, the African Group considered that the two Offices performed related but distinct functions: the Civil Affairs Office dealt with rule-of-law issues such as the legal, judicial and correctional systems, while the Political Affairs Office provided direct support to the Special Representative of the Secretary-General and dealt with broader political issues, in particular the fulfilment of the commitments of all parties to the peace process.

99. **Ms. Goicochea** (Cuba) said that her delegation's questions about the designation of the United Nations Mission in Côte d'Ivoire as a special political mission had been forestalled by the questions and comments of those who had spoken before her. She was anxious that the Committee should discuss such an important matter at a formal meeting.

100. **Mr. Daté-Yao** (Côte d'Ivoire) said that his delegation associated itself with the statement made by the representative of Botswana on behalf of the African Group, and with the statement of the representative of Japan.

101. Côte d'Ivoire was grateful for the many efforts which the United Nations had made in so short a space of time to promote reconciliation in a country which had for so long remained a haven of peace and prosperity. The process had moved forward with the establishment of a ceasefire, the signing of an agreement on the cessation of hostilities between the Forces Nouvelles and the Forces armées nationales de Côte d'Ivoire (FANCI), the formation of a Government of National Reconciliation, the gradual restoration of State authority in parts of the country, the adoption of an amnesty law and a draft law on the implementation of the Linas-Marcoussis Agreement, and the efforts to move forward with the disarmament, demobilization, reintegration and repatriation or resettlement of fighters. Threats to peace remained, first and foremost the threat that the situation would deteriorate again. The presence of armed groups with links outside the country needed urgent attention. The best solution lay in a regional approach in which the international community worked together with Côte d'Ivoire, Liberia and Sierra Leone. A robust peacekeeping operation was also needed to demonstrate political will and create the right environment for national reconciliation and the full and rapid implementation of the Linas-Marcoussis Agreement.

102. The situation in Côte d'Ivoire had wide-ranging social and economic effects. Côte d'Ivoire had the region's second largest economy after that of Nigeria and was the world's largest producer of cocoa and third-largest producer of coffee. It dominated trade within the region and provided markets and employment for the countries of the Sahel.

103. Although Côte d'Ivoire was pleased that the Security Council, through its resolution 1514 (2003), had renewed the mandate of the United Nations Mission in Côte d'Ivoire, that Mission had no direct peacekeeping role and the mandates of the French and ECOWAS troops in the country were themselves restricted. Since tension was still high, his delegation wished the Mission to be turned into a peacekeeping mission when its current mandate expired in February 2004.

104. **Mr. Jonah** (Sierra Leone) said that his delegation associated itself with the statement made by the representative of Botswana on behalf of the African Group, and with the statement of the representative of Côte d'Ivoire. His main concern was to avoid any delay in deciding on financing for operations in Côte d'Ivoire.

105. He had found the comments of the representative of Japan worrying, as they seemed to indicate an unravelling of a very delicate balance forged 30 years earlier at a time when a dispute over the authority and responsibilities of the Security Council and those of the General Assembly had nearly torn the Organization apart and had caused many years of financial crisis. The Committee's decision must not affect that balance.

106. **Mr. Halbwachs** (Controller) said that Article 17, paragraph 2, of the Charter provided that "the expenses of the Organization shall be borne by the Members as apportioned by the General Assembly". No further document qualified the roles of the Security Council and General Assembly in deciding on the financing of United Nations operations. In practice, the General Assembly had decided that funding for some missions should be assessed according to the scale of the regular budget of the Organization and that funding for other missions should be assessed according to the scale for peacekeeping operations. However, he was not aware that the General Assembly had laid down any criteria or guidelines to determine which activities should follow which pattern of funding. The Secretariat was guided instead by past practice: if a mission included a military component, it presented a budget to the Committee following the pattern of peacekeeping missions.

107. In resolution 1479 (2003), by which it had established the United Nations Mission in Côte d'Ivoire, the Security Council had made provision for military liaison officers. The Secretariat had assumed that its budget should be presented in the format used for peacekeeping missions, and it had done so in document A/58/370. As the subsequent exchange of correspondence between the President of the Security Council and the Secretary-General had shown, the issue of treating the Mission as a special political mission for the purposes of financing had been raised and had been referred to the Fifth Committee. To make the decisions of the Fifth Committee easier, the Secretariat had produced a brief outline of the cost implications of financing the Mission as a special political mission from the regular budget (A/58/598). That outline had intentionally not been detailed, as all the relevant information had been included in the original proposal in document A/58/370.

108. **Mr. Jonah** (Sierra Leone) said that, without wishing to contradict the information which the Controller had provided, he had been present in 1973 when the Security Council had provided guidelines on the method of financing missions in connection with the Second United Nations Emergency Force (UNEF II). The General Assembly had endorsed those guidelines.

109. **Mr. Agyeman** (Ghana) suggested that the Secretariat should provide a table summarizing the military components of previous special political missions and peacekeeping operations, since that would clarify past practice and make financing decisions easier.

110. **The Chairman** said that the Secretariat would prepare the information requested and make it available at the Committee's informal discussions.

111. **Mr. Ekorong à Dong** (Cameroon) said that his delegation associated itself with the statement made by the representative of Botswana on behalf of the African Group. As a member of the Security Council, Cameroon had closely followed the discussions regarding the United Nations Mission in Côte d'Ivoire. Like other representatives who had spoken before him, he would welcome its conversion into a peacekeeping mission. However, February 2004 was not far away, so he urged the Committee to wait until then to reopen the debate on its status and financing. To do otherwise would create a financing vacuum at a critical moment.

112. **Mr. Kelapile** (Botswana) said he agreed that, whatever the decision of the Committee, it must be made soon. He echoed the suggestion of the representative of Ghana that the Secretariat should provide information on past practice in determining how missions were classified.

113. **Ms. Goicochea** (Cuba) said that her delegation fully supported the aims of the United Nations Mission in Côte d'Ivoire and wished the Committee to make a rapid decision on its further financing. However, the debate on its classification as a special political mission raised an important issue. While the General Assembly should not intrude on the responsibilities of the Security Council, the reverse was also true. As the Controller had pointed out, financing decisions were the preserve of the General Assembly alone, under Article 17, paragraph 2, of the Charter. She recalled that decisions of the Security Council had caused similar problems when the General Assembly had discussed the financing of the United Nations tribunals. The interference of the Security Council in the business of the General Assembly was regrettable and should be

avoided. Her delegation took the view that, according to established practice, the United Nations Mission in Côte d'Ivoire should have been a peacekeeping mission rather than a special political mission.

114. **Mr. Motomura** (Japan) said that he wished to clarify his earlier statement, which seemed to have caused some concern. Preventing conflict, restoring peace and promoting development in Africa was vital. He had not wished to disrupt the delicate decision-making balance between the Security Council and the General Assembly, since everyone was aware that Member States must abide by the decisions of the Security Council. However, he was anxious to ensure that the decisions of the Security Council were transparent and accompanied by clear explanations for the benefit of the Member States in general, and Japan in particular, since Japan contributed 20 per cent of the budget.

115. **Mr. Wittmann** (United States of America) referred the Committee to his delegation's statement at the Committee's 20th meeting, in which it had explained how it viewed the response of the Secretariat to the position of the Security Council on the matter the Committee was discussing. His delegation agreed that a time would come when a decision must be made as to what distinguished a special political mission from a peacekeeping mission, since the Organization was adopting a variety of unique approaches to peacekeeping and peace-building. Such a discussion should be deferred, perhaps with the resumed fifty-eighth session, and could be widened beyond the confines of the Fifth Committee. For the moment, the Committee should address the immediate need to provide uninterrupted funding for the United Nations Mission in Côte d'Ivoire and to take account of its effect on the regular budgets for the 2002-2003 and 2004-2005 bienniums.

116. **Mr. Martini** (Italy), speaking on behalf of the European Union, said that he wished to remind the Committee that the Secretary-General, in his letter of 23 October 2003 to the President of the Security Council (A/C.5/58/12, appendix II), had stated that he had taken note of the Security Council's view that, for budgetary and other purposes, the United Nations Mission in Côte d'Ivoire should be administered as a special political mission. That was therefore the current status of the Mission.

117. **The Chairman** confirmed that additional information on the status and funding of special political missions and peacekeeping operations would be supplied at the Committee's informal meetings.

The meeting rose at 12.55 p.m.

United Nations A/C.5/58/SR.23

General Assembly
Fifty-eighth session

Official Records

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Fifth Committee

Summary record of the 23rd meeting
Held at Headquarters, New York, on Monday, 1 December 2003, at 10 a.m.

Chairman: Mr. Kmoníček ..... (Czech Republic)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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Agenda item 59: Strengthening of the United Nations system (*continued*)

Agenda item 121: Proposed programme budget for the biennium 2004-2005 (*continued*)

Administration and management of the Office of the United Nations High Commissioner for Human Rights (*continued*)

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03-63665 (E)

The meeting was called to order at 10.05 a.m.

Agenda item 59: Strengthening of the United Nations system (*continued*) (A/58/600 and A/58/610)

1. **Mr. Halbwachs** (Controller), introducing the note by the Secretary-General on improvements to the current process of planning and budgeting (A/58/600), said that it had been issued in response to a formal request for information made by the Committee at its 19th meeting on 17 November 2003. The note contained mock-ups of a two-part strategic framework which would replace the current format of the medium-term plan and programme budget outline. Those mock-ups had been provided to illustrate the very limited changes in format which would arise from the proposed synchronization of the budget cycle with the outline cycle.

2. The Advisory Committee on Administrative and Budgetary Questions (ACABQ) had made comments and observations on those proposals in document A/58/7/Add.5, but they had not been addressed in the note under consideration, which was intended simply to respond to the request of the Fifth Committee for mock-ups to illustrate the proposed changes. For further information on issues such as the timing of the consideration of the biennial programme plan and the budget outline, the duration of the plan, the plan as an instrument of policy and monitoring and evaluation, he referred the members of the Committee to the paper dated 13 November 2003 which had been supplied for the informal meetings.

3. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) drew the attention of the Committee to the recommendations and comments in paragraphs 7 to 11 of the related report of the Advisory Committee (A/58/610), which referred to issues that had not been clarified in the note of the Secretary-General (A/58/600) and which the Advisory Committee had raised in its earlier report (A/58/7/Add.5).

4. The Controller had just reminded the Committee that it had received fuller written clarification at its informal meetings. However, consistent with the practice followed in the past, the Advisory Committee considered that details concerning such an important an issue should appear in a formal published document which could be used as a reference in the future. Notwithstanding that comment, the Advisory Committee regarded the changes currently proposed to be minimal. If the General Assembly wished to take action on them, the Advisory Committee was prepared to make further comments and recommendations once the programme plan and budget outline had been presented to it for consideration.

5. **Ms. Goicochea** (Cuba) said that the note by the Secretary-General (A/58/600) indicated that it had been issued pursuant to a request made at the Committee's 19th meeting; that posed a serious procedural problem, for the Committee had not taken any decisions on the item at that meeting. She requested that the summary record of the 19th meeting should be circulated as promptly as possible in order to clarify the matter. The Committee should proceed with due caution and ensure that its eventual decision took into account the interests of all Member States. Her delegation had reaffirmed many times its readiness to consider any measures which would enable the Organization to respond fully to the wishes of its Members and it had taken part in a spirit of cooperation with other Members and the Secretariat in the negotiation of General Assembly resolution 57/300. The monitoring of the implementation of that resolution must be conducted with due transparency, integrity and confidence.

6. Measures to improve the current process of planning and budgeting were very important but must not lead to the elimination or impairment of bodies or instruments just because some countries or groups regarded them as ineffective, obsolete or of marginal importance. The current process was the result of detailed intergovernmental negotiations, manifested in particular in the agreement contained in resolution 41/213. Bringing pressure to bear for the adoption of decisions which violated that agreement might cause a serious breakdown of confidence among Member States. As the Advisory Committee had pointed out in its earlier report (A/58/7/Add.5), the General Assembly must provide guidance for the mock-ups to enable the Committee to decide whether the proposed changes were acceptable. Moreover, the documents prepared by the Secretary-General should have included an analysis of the current shortcomings in the process.

7. Consideration of the proposals should therefore be deferred until the fifty-ninth session so that all the implications could be properly studied. It would also be useful for summary records to be produced for all meetings, regardless of their status, at which the reform was under discussion.

8. **Mr. Pulido León** (Venezuela) said that the Organization must thoroughly reformulate its current planning and budgeting process to make it faster and more effective. His delegation had experienced some frustration on examining the mock-ups which the Secretariat had provided because they represented only a modest change.

9. As the report of the Advisory Committee (A/58/610) confirmed, the additional information on the effects of the proposed changes was vague. He asked for more details to be provided at a formal meeting of the Fifth Committee, particularly on the issues raised in paragraphs 7 and 8 of that report.

10. His delegation was itself committed to reform, and had thought that the Secretariat shared that view. However, he and other members of the Committee felt that the proposals before them lacked detail. If their doubts were to be dispelled, they would need more information.

11. **Mr. Kramer** (Canada), speaking also on behalf of Australia and New Zealand, said that, for once, they differed with the Advisory Committee's view: the note of the Secretary-General and the supplementary information circulated to the Committee did respond reasonably well to the few substantive points raised by the Advisory Committee in its earlier report (A/58/7/Add.5). Paragraph 4 of the latest report of the Advisory Committee (A/58/610) suggested that the Secretary-General had submitted the mock-ups without guidance from the General Assembly. But no guidance could have been given without the mock-ups because delegations were uncertain about what they were dealing with; the speedy production of the mock-ups had facilitated rather than pre-empted decision-making. The process suggested by ACABQ in paragraph 7 of its earlier report might inadvertently have deferred any change for four years because there was a risk of missing the next cycle; there was now no reason for that to happen.

12. The timing outlined by the Secretary-General on page 5 of the paper containing supplementary information sensibly reflected the Advisory Committee's suggestion that the budget outline should be prepared after the biennial programme plan had been considered. The Advisory Committee was right to argue that the new document looked much like its predecessor and did not address all the shortcomings outlined in the report of the Secretary-General on the strengthening of the United Nations: an agenda for further change (A/57/387) and subsequent papers, but the important changes lay in the cycle, not in the appearance of the documents. The cycle itself was being made more strategic and responsive to the need for Member States to participate more effectively. The first positive aspect of the proposals was the strategic connection established between programme planning and resource planning; at present the budget outline was not inherently influenced by planning decisions. The second was that the two-year horizon permitted more responsive budgeting and removed the need for the Committee for Programme and Coordination to review the programme budget. The shorter time horizon would also lead to a more purposeful and strategic plan. Improvements were needed in the performance reporting arrangements, even outside the context of revision of the budget cycle. The Secretary-General's proposals would enhance evaluation, in particular by enabling the Committee for Programme and Coordination to give more attention to that subject.

13. Despite their virtues, the proposals fell short of the Secretary-General's own ambitions and far short of those of the three delegations for which he spoke, for they represented only a modest improvement. The hopes for more substantial improvement had been trimmed back because the initial proposals had seemed too radical to some. The proposals should not now be rejected on the grounds that they were too conservative.

14. **Mr. Kelapile** (Botswana), speaking on behalf of the African Group, said that improving the current process of planning and budgeting was important, and the African Group wished to contribute to the debate on that matter. However, it was still considering the report of the Advisory Committee (A/58/610) and trying to formulate a position on the Secretariat's proposals. It asked the officers of the Committee to schedule a further formal meeting to continue discussion of those proposals, so that delegations would have time to consult their capitals and regional groups.

15. **Mr. Stoffer** (United States of America) said that his delegation associated itself with the statement made by the representative of Canada, which had stressed that the proposed changes to the current planning and budgeting process were modest. It was better to take small but immediate steps to implement reform, and thus have a chance of improving the establishment of

the budget for the biennium 2006-2007. If the Organization delayed taking action, its next opportunity to act would not come until 2008-2009. A five-year delay was unacceptable.

16. The Secretary-General had committed himself to budget reform. The Secretariat had described how the programme budget and budget outline cycles would be synchronized. The reforms would enable managers for the first time to match their use of resources to the availability of such resources, and to give the Committee for Programme and Coordination a stronger monitoring and evaluation role. The Committee's remaining time was limited and it must act fast. He saw no need for a further formal meeting to discuss the matter.

17. **Mr. Halbwachs** (Controller), responding to the request of the representative of Venezuela for the comments of the Advisory Committee to be addressed at a formal meeting, repeated his assertion that the note he had introduced (A/58/600) contained only the information which the Fifth Committee had requested at its 19th meeting. The written information dated 13 November 2003 had, however, been prepared to respond to the Advisory Committee's comments, providing details of the timing of the consideration of the programme budget and budget outline and of how the medium-term plan could be made an instrument of policy. Meanwhile, paragraph 25 of the report of the Secretary-General on improvements to the current process of planning and budgeting (A/58/395) described the level of detail on output and resource requirements which the Member States could expect to see in the budget fascicle.

18. **Mr. Elnaggar** (Egypt) said that requests from the Fifth Committee or the Advisory Committee for clarification should receive a response in writing and be translated so that they could be considered in detail and returned to in the future if necessary. To prevent change from becoming an end in itself, reforms must be thoroughly analysed. No analysis or decision was possible without specific information.

19. **Mr. Tal** (Jordan) said that the Committee did not have much time left in which to conclude its business and the questions of many members of the Committee remained unanswered. The Secretariat had proposed reforms which, although very modest, were still worth implementing. He supported the request of the representative of Botswana, on behalf of the African Group, for more time to be allowed for debate and consultation with capitals. That would make the task of preparing a draft resolution easier.

Agenda item 121: Proposed programme budget for the biennium 2004-2005 (*continued*)

Administration and management of the Office of the United Nations High Commissioner for Human Rights (continued) (A/58/7/Add.12 and A/58/569)

20. **Mr. Yamanaka** (Japan) said that the Office of the United Nations High Commissioner for Human Rights (OHCHR) played an important role and must become more effective and efficient. He had been encouraged by the improvements in management at the Office, but was concerned to learn that it had implemented only 3 of the 17 recommendations which the Office of Internal Oversight Services had made in its management review (A/57/488). He would like more information on the current situation with regard to posts filled under the 200 series of the staff rules and on the issues to which the representative of Cuba had referred at the previous meeting (A/C.5/58/SR.22).

21. **Mr. Kramer** (Canada), speaking also on behalf of New Zealand and Australia, said that the action resulting from the measures proposed in the Secretary-General's report on an agenda for further change (A/57/387) and the management review initiated two years earlier, not least in the report of the Office of Internal Oversight Services (A/57/488), were improving the capacity of OHCHR to carry out the human rights mandates stemming from the Charter. While OHCHR was making a significant contribution, it could not cope with its increasing burden without commensurate budgetary resources: the Office of Internal Oversight Services had observed that much of the strain on OHCHR was due to that disparity. Member States must therefore be disciplined in assigning tasks to OHCHR and provide the necessary resources.

22. The managerial improvements recommended by the Office of Internal Oversight Services would require the attention OHCHR for some time, but the basic framework for their implementation was in place, even if only three of the recommendations had so far been acted upon. The clear vision of OHCHR of systems for the protection of human rights at the country level represented an important shift which would take

advantage of its core expertise. Despite significant progress, much remained to be done by the treaty bodies themselves to improve the implementation of the treaties. The improvements in the annual appeal and the annual report on voluntary contributions were welcome. The new structure of OHCHR was more coherent and the duties of the Deputy High Commissioner were set out more clearly; the three delegations for which he spoke would like to know whether the recommendations of the Office of Internal Oversight Services that he should oversee the policy planning unit and the integration of information technology into support services had been implemented. All special procedures should now be brought under the umbrella of the new Special Procedures Branch.

23. The clarity of the Secretary-General's account of the reform of OHCHR and the resource proposals set out in the programme budget, together with the comments and recommendations made by ACABQ, would enable the Committee to take informed decisions on the item.

24. **Mr. Tchatchaichawalit** (Officer-in-charge of the Economic, Social and Human Rights Service, Office of Programme Planning, Budget and Accounts), responding to the question put by the representative of Canada, said that the three recommendations of the Office of Internal Oversight Services mentioned specifically in the report had been fully implemented; that Office was being kept informed regarding the implementation of the others.

25. Turning to questions raised at the 22nd meeting, he said that certain Geneva posts had been converted from the 200 to the 100 series of the staff rules in response to a recommendation of the Office of Internal Oversight Services. The Human Resources Management Service in Geneva was working to change the contractual status of the staff members concerned. There would be no change in the source of funding for the posts, and the 200 series would still apply to staff providing technical assistance, especially field staff.

26. In view of the increased workload, it was felt that the Petitions Unit should be headed by a staff member at the P-5 level in order to ensure the efficient implementation of the mandated activities.

27. The D-2 post of Chief of Staff, proposed in response to recommendation 12 of the Office of Internal Oversight Services, was intended to ensure the integration of the inputs from the Office's substantive services and to provide timely advice and information to the High Commissioner and his Deputy. The Chief of Staff would also be responsible for liaison with Governments, other United Nations agencies and international and regional institutions dealing with human rights at the policy level, as well as for maintaining close contacts with the Executive Office of the Secretary-General and other Headquarters offices.

28. The External Relations Branch would be responsible for developing communication and resource-mobilization strategy and for conducting awareness projects and campaigns.

29. He would provide information about the Office's staff numbers by contract type and nationality at the next informal meeting.

The meeting rose at 10.55 a.m.

United Nations A/C.5/58/SR.24

General Assembly
Fifty-eighth session

Official Records

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9 December 2003

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Fifth Committee

Summary record of the 24th meeting
Held at Headquarters, New York, on Wednesday, 3 December 2003, at 10 a.m.

Chairman: Mr. Kmoníček ..... (Czech Republic)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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Agenda item 59: Strengthening of the United Nations system (*continued*)

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03-63830 (E)

The meeting was called to order at 10.05 a.m.

Agenda item 59: Strengthening of the United Nations system (*continued*) (A/58/600 and A/58/610)

1. **Mr. Kelapile** (Botswana), speaking on behalf of the African Group, said that the Group would continue to support the efforts of the Secretary-General to reform and strengthen the Organization. It had always been in the forefront of efforts to improve the functioning of the United Nations system whenever such improvements were needed. The Organization's decision-making process must remain transparent and allow full representation of all Member States, without exception and on an equal basis. That was especially important in connection with decisions which could lead to changes in planning, budgeting, monitoring and the evaluation cycle.

2. The African Group had paid close attention to the proposals of the Secretary-General, the observations of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and the Joint Inspection Unit and the comments of the members of the Fifth Committee. It believed that there was a need for a clear diagnosis of the shortcomings of the current planning, programming, budgeting, monitoring and evaluation process in order to propose improvements, some or all of which must then be approved. Such a diagnosis should ensure that there was no confusion about where the shortcomings lay in order to avoid changing elements of the current process without any meaningful results.

3. The Organization must have a strategic and forward-looking outlook. The internationally agreed goals contained in the Millennium Declaration and the outcomes of major international conferences provided a broad vision for the Organization and the international community. Most, if not all, of those goals covered a long period. The Organization must therefore have a plan which would establish realistic objectives to achieve those goals, and the Member States had an essential role to play in formulating it and setting priorities. The plan should therefore continue to constitute the Organization's principal policy directive.

4. The African Group had noted the view of the Advisory Committee, in paragraph 7 of its report (A/58/610), that it could not judge whether the mock-up presented in the report of the Secretary-General (A/58/600) was shorter or more strategic than the current medium-term plan. The Group looked forward to receiving the Secretariat's response to the comments in paragraphs 7 and 8 of the Advisory Committee's report, including mock-ups for programmes that were more sophisticated and complex and an analysis of the problems of the current budgetary process and of their impact on the allocation of resources according to the priorities set out in the medium-term plan and the budget outline. It also hoped that the Secretariat would address the comments in paragraph 6 of the Advisory Committee's report regarding the timing of consideration of the biennial programme plan and the budget outline, and give further details about the plan's ability to reflect new mandates, the sequence of steps in the preparation and approval of the plan and ways to avoid delays.

5. The African Group was composed of small delegations with limited capacity, so it was anxious to avoid duplication in the work of the intergovernmental bodies involved in the planning, programming, budgeting, monitoring and evaluation process. Priority setting was, and should remain, the prerogative of the Member States. Moreover, it was the process of reviewing the budget, rather than the role of the intergovernmental bodies and Member States in that process, that required attention.

6. The Committee for Programme and Coordination must play an active role in reviewing the programming aspects of the budget. The Fifth Committee should not duplicate that review, as it was not in a position to provide an opinion. The African Group fully supported efforts to improve and enhance the work of the intergovernmental bodies involved in the monitoring and evaluation of programmes. It had noted the concern expressed by the Advisory Committee, in paragraph 9 of its report, that the note of the Secretary-General had failed to provide clarification on the proposed measures to improve the current process of programme planning, monitoring and evaluation arrangements, and looked forward to a response from the Secretariat.

7. The Member States must receive clear proposals, including comprehensive information on a modified biennial programme performance report, improvements to the format and timing of evaluation reports and a clear definition of the roles of the entities that were or would be involved in programme planning, monitoring and evaluation.

8. The Advisory Committee, in paragraph 10 of its report, had stated that it was uncertain how much information it or the Member States would receive on outputs and resource requirements if the General Assembly proceeded with the recommendations in paragraph 5 of the Secretary-General's report. Member States must continue to receive enough information to take informed decisions during the budget negotiations.

9. The African Group recognized that the Secretariat had not had very much time to provide comprehensive answers to the questions raised by the Member States and the Advisory Committee and that the Advisory Committee itself had had little time for discussion. It appreciated the efforts which had been made so far to provide information and asked for adequate time to be allocated to informal consultations on such an important issue.

10. **Mr. Martini** (Italy), speaking on behalf of the European Union, the acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia, the associated countries Bulgaria, Romania and Turkey, and, in addition, Iceland and Liechtenstein, commended the Secretariat for providing mock-ups for the proposed strategic framework, which gave a first indication of what the new format would look like, although that format would be further refined over time.

11. The intergovernmental process and documentation for planning and budgeting must be streamlined and rationalized. He agreed that a biennial programme plan, as proposed in the mock-ups, would provide an opportunity to develop more concrete and specific expected accomplishments and indicators of achievement, as the Advisory Committee had recommended. He also agreed that the Secretary-General's proposal that a two-part strategic framework, composed of a biennial programme plan and a budget outline, should be established was a modest step towards more informed decision-making in the Fifth Committee which would enable it ultimately to match programming and priority setting to resource implications more effectively.

12. He was grateful that the Advisory Committee had reacted swiftly to the request of the Fifth Committee for its first impressions on the mock-ups provided by the Secretariat, and agreed with the Advisory Committee that the decision to replace the current four-year medium-term plan by a biennial programme plan was first and foremost a policy decision. The Advisory Committee's questions regarding the mock-ups were valid, however, and he accepted its intention to make further comments and recommendations when it took up the plan and outline following the acceptance by the General Assembly of the proposals in paragraph 5 of the note by the Secretary-General (A/58/600).

13. With one General Assembly resolution, three reports of the Secretary General, one report of the Joint Inspection Unit and one report of the Advisory Committee, the Fifth Committee had no further need for material on which to base its decision on reform of the planning and budgeting process.

14. The final recommendation in the report of the Advisory Committee stated that, since the changes now being proposed were minimal, there would be only minimal consequential amendments to the relevant financial and planning regulations. For that reason, if the members of the Fifth Committee worked together, they would be able to generate important first results in advancing budgetary reform before the end of the main part of the fifty-eighth session of the General Assembly.

15. **Ms. Arce de Gabay** (Peru), speaking on behalf of the Rio Group, said that the Group shared the view that the reforms which the Secretary-General was currently proposing did not go as far as they had expected. However, that was no reason to oppose them. The fact that the Advisory Committee considered those proposals to be minimal reinforced that impression. Time was short, so the Committee must take a decision on the matter during the main part of the fifty-eighth session so that the Secretariat could prepare the medium-term plan in time for the Committee for Programme and Coordination to consider it in 2004.

16. The Rio Group saw no reason not to agree to the minor proposed changes to the medium-term plan, the budget outline and the budget cycle, since they would advance the use of results-based budgeting in the Organization.

17. **Mr. Farid** (Saudi Arabia) said that his delegation fully supported the efforts of the Secretary-General to reform the Organization. However, he agreed with the African Group that the Secretariat must clarify certain matters, particularly those which the Advisory Committee had raised in paragraphs 6 to 10 of its report (A/58/610).

18. **Mr. Elkhuizen** (Netherlands) said that his delegation associated itself with the statement made by the representative of Italy on behalf of the European Union and supported the reform efforts of the Secretary-General. If the Committee did not take a decision on budget reform during the main part of the fifty-eighth session, it would not have an opportunity to return to the matter for four years. That was unacceptable.

19. **Ms. Stanley** (Ireland) said that her delegation associated itself with the statement made by the representative of Italy on behalf of the European Union and supported the modest reform proposals of the Secretary-General, which should be acted on during the main part of the fifty-eighth session.

20. **Mr. Tootoonchian** (Islamic Republic of Iran) said that the important matter before the Committee deserved thorough analysis and review. The Member States had had fruitful discussions at the formal and informal meetings of the Committee. They and the Advisory Committee must be given comprehensive information, despite the limited time available, so that the proposed changes could be given due consideration. As the African Group had pointed out, the Advisory Committee had asked for further clarification.

21. The aim was to improve the programming and budgetary process by making changes where changes were needed. Whether those changes were large or small, they must be considered on the basis of their merit, rationale, impact and other technical considerations, and not simply for their own sake. The documentation provided and the discussions held over the previous year had deepened the Committee's understanding of the reform objectives. It must explore how to make the Organization more accountable and efficient, so that it could implement the mandates established by its Member States. His delegation welcomed the incorporation of monitoring and evaluation into the programming and budget process. It was important to strengthen the role of the Committee for Programme and Coordination without undermining the mandates of that intergovernmental body in other areas.

22. **Mr. Drofenik** (Austria) said that his delegation associated itself with the statement made by the representative of Italy on behalf of the European Union and pointed out that many delegations had complained in the past that the budgetary process absorbed a great deal of energy and resources. The Secretary-General, to his credit, had put forward proposals for reform, offering a window of opportunity which must not be wasted.

23. **Mr. Nesser** (Sweden) said that his delegation associated itself with the statement made by the representative of Italy on behalf of the European Union and supported the reforms proposed by the Secretary-General. Time was of the essence, and the Committee should take a decision on those reforms at once.

24. **Mr. Honningstad** (Norway) said he felt that the Fifth Committee was faced with a historic opportunity to advance reform of the budgetary process. Missing that opportunity would have a substantial effect on all the other aspects of reform in the Organization. The budget reform, while not far-reaching, was a cornerstone of reform in general. It would make the United Nations more goal-oriented and help the Member States to implement the mandates established in the Millennium Declaration and the Millennium Development Goals and by the major international conferences over the past 10 years.

25. He had been surprised that some members of the Committee continued to have doubts and questions about the proposed reforms. It was natural for them to have questions, but the matter of reform had been documented more thoroughly than any other issue that he could remember from his time at the United Nations. Moreover, none of the documents which the Committee had seen had expressed support for the current budget procedure or the current medium-term plan. If the Committee failed to act now, a minimum of four years would go by before it was able to address the matter again.

26. Turning to the report of the Advisory Committee (A/58/610), he pointed out that the mock-ups provided by the Secretariat were merely an illustration, not a goal in themselves. As the reform process moved forward and as results-based budgeting became widespread, the budget documents would become clearer even than the mock-ups had supposed.

27. The Organization needed reform and the Fifth Committee was in a position to advance it. It must not let an opportunity to act slip away.

28. **Ms. Galvez** (United Kingdom) said that her delegation associated itself with the statement made by the representative of Italy on behalf of the European

Union and wished to add its own expression of support for the reforms proposed by the Secretary-General to streamline the budgeting and planning process and thus create a clear link between resources and programmes. It was grateful for the documentation which the Secretariat had provided and considered it sufficient to allow the Committee to reach a sensible decision on the matter during the current session of the General Assembly. If the Committee acted during the current session, it would improve the Organization's ability to deliver results in accordance with its priorities.

29. **Ms. Pehrman** (Finland) said that her delegation associated itself with the statement made by the representative of Italy on behalf of the European Union and emphasized that timing was vital in the consideration of the budget reform proposed by the Secretary-General. The Committee should lose no time in taking action.

30. **Mr. Bittner** (Germany) said that his delegation associated itself with the statement made by the representative of Italy on behalf of the European Union. It was keenly aware that the Organization had been considering budget reform proposals for over one and a half years. All of the members of the Committee agreed that the current process was cumbersome and costly and did not serve the interests of smaller Member States. Action should be taken without delay because a new budget cycle was beginning.

31. **Mr. Zaluar** (Brazil) said that his delegation associated itself with the statement made by the representative of Peru on behalf of the Rio Group. It had no objection to the current reform proposals, which it would consider approving at an early date. In order to address whatever doubts remained on the issue, particularly those expressed in the report of the Advisory Committee regarding the timing and length of the plan, matching the allocation of resources with priorities, performance reports and the details regarding outputs and resource requirements which would be provided, he suggested that the Secretariat should produce supplementary information as a synthetic, informal, conference room paper. However, his delegation would follow the lead given by the Chairman in reaching a consensus on the matter in the Committee.

32. **Mr. Adán Carmona** (Spain) said that his delegation associated itself with the statement made by the representative of Italy on behalf of the European Union. It found it difficult to understand the criticism which the proposals of the Secretary-General had attracted, since they were only a first step and served the aims of achieving programme goals. The current budgeting process produced incremental change from year to year without taking account of overall goals. The proposed steps were an extraordinary advance in terms of transparency. Efforts should therefore be united to translate them into action as rapidly as possible.

33. **Mr. Poinsot** (France) said that his delegation associated itself with the statement made by the representative of Italy on behalf of the European Union. The reform of budgetary procedure and planning occupied a central place in the overall reform effort in the Organization. The proposals of the Secretary-General would streamline budgetary and financial procedures and the work of the Committee. It considered that the Committee had all the documentation it needed to adopt a position on the matter and that the proposals of the Secretary-General were modest in scale but significant in their symbolism. The Committee should take action on them during the current session.

34. **Mr. Zevelakis** (Greece) said that his delegation associated itself with the statement made by the representative of Italy on behalf of the European Union. It fully supported the reforms proposed by the Secretary-General and looked forward to acting on the proposals swiftly.

35. **Mr. Kafka** (Czech Republic) endorsed the statement made by the representative of Italy on behalf of the European Union. He stressed that the timing of the decision on the proposed reforms was crucial if the reforms were to have a real impact.

36. **Mr. Roa Arboleda** (Colombia) endorsed the statement made by the representative of Peru on behalf of the Rio Group. Although the Secretary-General's proposals were simpler than expected and entailed minimal changes to current procedure, they should be adopted and implemented immediately. A decision must be taken during the current session so that the Secretariat could draw up the medium-term plan in a timely manner and submit it for consideration to the Committee for Programme and Coordination at the beginning of 2004.

37. **Mr. Pulido León** (Venezuela) endorsed the statement made by the representative of Peru on behalf

of the Rio Group and expressed his full support for the Secretary-General's proposals. Although they were modest in scope, they could lend momentum to the overall reform of the Organization. He trusted that the process would be taken forward during the current session of the General Assembly and expressed the hope that any adjustments or refinements deemed necessary by Member States could be incorporated into the relevant proposals as appropriate.

38. **Mr. Myck** (Luxembourg) said that his delegation wished to associate itself with the statement made by the representative of Italy on behalf of the European Union. He agreed that a decision must be taken during the current session so as to maintain the momentum of the reform process and prevent a further four-year delay in the consideration of the matter.

39. **Ms. Hutanová** (Slovakia) endorsed the statement made by the representative of Italy on behalf of the European Union. She fully supported the Secretary-General's proposals and urged all Member States to make a concerted effort to make the reforms a reality.

40. **Ms. Lock** (South Africa) said that her delegation wished to associate itself with the statement made by the representative of Botswana on behalf of the African Group and to reiterate its full support for the efforts of the Secretary-General to reform the United Nations. She commended the Secretariat for the prompt issuance of the relevant documentation and expressed her gratitude to the Advisory Committee for its advice. In that connection, she trusted that the Secretariat would provide responses to the questions ACABQ had raised so that the Committee could move forward with its negotiations. She said that no delegation was attempting to stall the reform process by delaying a decision on the issue in question and pointed out that the Committee's programme of work was not under discussion. She stood ready to begin negotiations and urged all Member States to consider the issue in a careful and constructive manner.

41. **Mr. Álvarez** (Chile) said that his delegation wished to associate itself with the statement made by the representative of Peru on behalf of the Rio Group. The proposals of the Secretary-General contained in document A/58/600 were valid and he expressed the hope that Member States would be able to reach agreement on them and take a decision that would enable the reform process to move forward.

42. **Mr. Ramos** (Portugal) endorsed the statement made by the representative of Italy on behalf of the European Union and suggested that the Committee should begin its informal consultations without delay in order to expedite matters. He agreed with the representative of Norway that the reform of the planning and budgeting process constituted an integral part of the overall reform of the Organization. The President of the General Assembly had proposed an ambitious draft decision on the reform and revitalization of the working methods of the Assembly which had garnered widespread support, but the deliberations of the Fifth Committee concerning the reform process had not been so straightforward. If the Secretary-General's modest proposals were not approved, the momentum gained by the General Assembly would be interrupted and the perception that the Fifth Committee was responsible for stalling and unravelling issues would be further reinforced. He therefore urged all Member States to proceed swiftly to adopt the proposals.

43. **Mr. Manczyk** (Poland) said that his delegation wished to associate itself fully with the statement made by the representative of Italy on behalf of the European Union. He supported the reform of the planning and budgeting process in spite of the modest nature of the Secretary-General's proposals and, in that respect, felt that timing was very important. He was confident that the Committee would be in a position to adopt a decision on the issue during the current session.

44. **Ms. Banhcke** (Denmark) said that she wished to stress the importance of taking the first step towards reforming the budgeting process as soon as possible.

45. **Mr. Onaner** (Turkey) said that his delegation associated itself with the statement made by the representative of Italy on behalf of the European Union. He reiterated the point that the proposals at issue were merely a first step towards the reform of the planning and budgeting process, not a definitive solution. To defer the issue would send an erroneous message about the budget reform and give the impression that the Fifth Committee did not support the prevailing trend towards reform within the United Nations as a whole. He also observed that the absence of the Chairperson of the Group of 77 and China at the current meeting was an important signal and, in that connection, he urged all Member States which were opposed to the process to review their positions.

46. **Ms. Goicochea** (Cuba) recalled that two requests had already been made for the publication of the documents under consideration in all official languages and pointed out that the Chairman had given his assurance that those requests would be honoured.

47. With regard to the mock ups, she said that all delegations agreed that it was in their interests to move forward with the reform process. However, when preparing such documents, the Secretariat should be informed about which format the Member States preferred and which data they wished to see included. The mock-ups currently before the Committee should have been drafted in a manner similar to those used to illustrate the effects of results-based budgeting techniques and should have covered large departments and sections of the Organization, such as the Department for Economic and Social Affairs or the United Nations Conference on Trade and Development.

48. Lastly, she wished to stress that, despite the criticisms levelled at it, the Fifth Committee had contributed in a significant manner to the work of the Organization in many areas, as evidenced by its role in the adoption of General Assembly resolution 41/213. She looked forward to hearing the Secretariat's responses to the questions posed by the representative of Botswana on behalf of the African Group.

49. **Ms. Budrauskaite** (Lithuania) said that her delegation wished to associate itself with the statement made by the representative of Italy on behalf of the European Union in support of the Secretary-General's reform proposals. She stressed the importance of taking a decision on the issue during the main part of the current session of the General Assembly.

50. **Mr. Elnaggar** (Egypt) said that his delegation wished to associate itself with the statement made by the representative of Botswana on behalf of the African Group. However, given the way that the debate was unfolding, he felt duty bound to take the floor in a national capacity. His delegation had always supported the Secretary-General's efforts to reform and strengthen the United Nations and would continue to do so. The report of ACABQ (A/58/610) provided the Committee with technical advice and contained a number of specific requests and questions which required responses from the Secretariat before Member States could take a decision.

51. He endorsed the comments made by the representative of South Africa regarding the programme of work and added that, to his knowledge, neither the Chairman nor any delegation had made a formal request to postpone the adoption of a decision. He also agreed with the representative of Portugal that it might be better to discuss the proposals in informal consultations.

52. In conclusion, he stressed the importance of strengthening and reforming the Organization and the need for Member States to take a considered decision on the matter on the basis of clear information.

53. **Mr. Alarcón** (Costa Rica) endorsed the statement made by the representative of Peru on behalf of the Rio Group. He was grateful to the Secretariat and ACABQ for the information they had provided and trusted that responses to the questions that had been raised would be supplied as soon as possible. He emphasized the importance of the proposed measures in the area of planning and budgeting and, given the vital significance of the process for the Organization as a whole, he urged Member States to take steps towards adopting a decision as soon as possible.

54. **Mr. Bouheddou** (Algeria) said that his delegation wished to associate itself with the statement made by the representative of Botswana on behalf of the African Group. He stressed that he was in favour of the concept of reform as a whole, not just the budgetary aspects thereof. He observed that no delegations were opposed to taking a decision on the issue, but he felt that a number of the Secretary-General's proposals were purely symbolic and inappropriate to fill the gaps in the current planning and budgeting process identified in his original report on the strengthening of the United Nations (A/57/387 and Corr.1). He wondered how it was possible to support the reform process yet endorse a series of symbolic and cosmetic mini-reforms that undermined the concept of global change. He also questioned the wisdom of approving the Secretary-General's proposals simply because they were simple. There was a need for a genuine and global reform of the planning and budgeting process which addressed the shortcomings of the current system rather than attempting to cover them up.

55. **Mr. Herrera** (Mexico) said that his delegation wished to associate itself with the statement made by the representative of Peru on behalf of the Rio Group. Although the Secretary-General's proposals were modest in scope, they were nevertheless useful and

could pave the way for further, more far-reaching reforms. In that context, they should be approved.

56. **Mr. Vilums** (Latvia) said that his delegation wished to associate itself with the statement made by the representative of Italy on behalf of the European Union. He fully supported the Secretary-General's proposals to improve the current process of planning and budgeting and expressed the hope that a positive and timely decision would be taken during the current session of the General Assembly.

57. **Mr. Kelapile** (Botswana), speaking on behalf of the African Group, said that he wished to reiterate a number of points made in his previous statement. The reforms proposed by the Secretary-General were indeed modest, but they touched upon key instruments in the area of planning and budgeting. Traditionally, the Fifth Committee always requested as much information as possible before taking decisions and, in the present case, the African Group had simply asked for further clarification in respect of a number of queries raised in the report of ACABQ. It had not been the Group's intention to delay or oppose any decision.

58. He reaffirmed his full support for the Secretary-General's proposed reforms and expressed the hope that additional time would be allocated for the discussion of them in order to ensure a productive conclusion.

59. **Mr. Elji** (Syrian Arab Republic) reiterated the statement made by his delegation in the General Assembly on the subject of the revitalization of the role of the United Nations, and expressed support for the idea of reform. The Secretariat should provide written clarifications on the questions that had been raised. In particular, he wondered whether the workload of the Fifth Committee was expected to increase owing to the fact that it would have to study the strategic framework every two years instead of every four years, as was currently the case, whether the proposed process would be more economical than the current one, and whether it would include the same elements as those currently in the medium-term plan.

60. The distribution of certain official documents in just one language version was unacceptable, and in contravention of numerous resolutions of the General Assembly.

61. **Mr. Ádány** (Hungary) associated himself with the statement made by the representative of Italy on behalf of the European Union and expressed full support for the reforms proposed by the Secretary-General.

62. **Mr. Sigtryggsson** (Iceland) endorsed the statement made by the representative of Italy on behalf of the European Union, and expressed support for the reforms proposed by the Secretary-General. He agreed with the representative of Norway that it was important to maintain momentum in adopting the reforms.

63. **Mr. Kendall** (Argentina) endorsed the statement made by the representative of Peru on behalf of the Rio Group. The fact that the reforms proposed were relatively modest in scope was all the more reason to forge ahead as quickly as possible, especially in the light of the time constraints the Committee faced.

64. **Ms. Onisii** (Romania) fully associated herself with the statement made by the representative of Italy on behalf of the European Union and expressed support for the Secretary-General's proposal.

65. **Mr. Getachew** (Ethiopia) agreed that it was important to maintain the momentum for the adoption of the reform. He assured the Committee that the African Group had no intention of delaying its adoption by the General Assembly.

66. **Mr. Kramer** (Canada) said that the reason the proposals submitted by the Secretary-General were under consideration was not related to their modest scope; it was rather because they were useful, insofar as they would make the programme and budget cycle more responsive, substantial, flexible and accessible to Member States. The African Group had, in its statement, set out principles that deserved support. The Organization did indeed require a plan that would make it possible to establish realistic objectives capable of ensuring the realization of goals, and the role of the Member States in that process could not be overemphasized. The plan should continue to constitute the principle policy directive.

67. **Ms. Udo** (Nigeria) associated herself with the statement made by the representative of Botswana on behalf of the African Group and expressed full support for the reforms proposed by the Secretary-General.

68. **The Chairman** said that the current formal meeting had been convened at the request of the African Group. While he had not proposed that consideration of the agenda item should be postponed,

a proposal along those lines had been made by a Member State.

69. **Mr. Sach** (Director of the Programme Planning and Budget Division) said that when the Advisory Committee had considered the mock-ups that had been prepared by the Secretariat at the request of the Fifth Committee (A/58/600), it had expected more detailed information. Some of the information that the Advisory Committee had considered lacking had been provided to the Committee during informal consultations but for reasons of brevity had been excluded from the note by the Secretary-General.

70. The first point raised by the Advisory Committee in paragraph 6 of its report (A/58/610) addressed the timing of the consideration of the biennial programme plan and the budget outline. Both elements, the plan and the outline, would be parts of the strategic framework. Part 1, the biennial programme plan, would be considered by the Committee for Programme and Coordination (CPC) in May or June of each off-budget year and approved by the General Assembly in the same year. The current practice would thus be continued, but it would be carried out on a two-year cycle instead of the current four-year cycle. Part 2, the budget outline, would be issued in the off-budget year after completion of the review of the biennial programme plan by CPC, so that the Secretary-General would have the benefit of input from CPC on programme priorities. As recommended by the Advisory Committee, the outline would follow the plan.

71. In paragraph 7 of its report, the Advisory Committee cast doubt on whether the biennial programme plan would be shorter or more strategic than the current medium-term plan. The current cycle from initiation to completion of programmes would be reduced from seven to five years. The plan's strategic value resided in its context, not necessarily its content. The biennial programme plan would be part of an overall framework related to the allocation of resources. There would be a linkage between the strategic framework, part 1 and part 2, which would all come together at the General Assembly session during off-budget years.

72. In paragraph 8, the Advisory Committee asked the Secretary-General to clarify how the medium-term plan could be made an instrument of policy rather than a listing of activities. In the current medium-term plan, some improvements had been made in that regard, as a clearer articulation of objectives, expected accomplishments, indicators of achievement and external factors had been included. Specific activities and outputs as such were not intended to be a feature of the strategic plan. At the time of the preparation of the medium-term plan for the period 2002-2005, the General Assembly had not yet adopted the process of results-based budgeting. The period from 2006 forward would therefore be the first in which results-based budgeting could be fully implemented with a focus on impact, objectives and achievements, rather than a list of activities.

73. In paragraph 9, the Advisory Committee addressed the question of the monitoring and evaluation of programme performance. The Office of Internal Oversight Services had indicated, at least in informal meetings, that a modified programme performance report would be prepared in early 2004 for consideration by CPC, and that it would take up the framework utilized in the current biennium for the results-based approach. It would integrate financial information with programmatic information so as to mould together the resource and programme considerations that were so important to ensuring appropriate monitoring and evaluation improvements. The current arrangements, which basically amounted to output counting and ignored impact measurement, had severe limitations.

74. Lastly, in paragraph 10, the Advisory Committee stated that it was not clear what level of detail on outputs and resource requirements would be made available to Member States in the budget fascicles. There would be no change in the level of detail on resource requirements in budget documents. As for outputs, the Advisory Committee had for two straight bienniums pointed to the weaknesses in the presentation of outputs, indicating, for example, that there was no consistent standard for their formulation and presentation and calling for a clearer demonstration of the extent to which such outputs helped to achieve the objectives and expected accomplishments of each subprogramme. The Secretary-General's proposals indicated that a more relevant, tabular presentation would be adopted in the future.

75. Written material had been distributed in the informal consultations in response to the concerns expressed by the Advisory Committee. As for the

workload of the Fifth Committee, the proposed reform would not impose an additional burden. The Committee already reviewed either a plan or a revision to a plan every two years, and it reviewed a budget outline every two years. Because the plan would be received with detailed recommendations from CPC, the Fifth Committee would be relieved of a good deal of drafting work.

76. **Ms. Goicochea** (Cuba) asked the Secretariat to make available in writing the clarifications given by Mr. Sach.

77. **Mr. Jonah** (Sierra Leone) said that the African Group had no intention of delaying consideration of the agenda item, but had called for a postponement so as to allow it to deliberate and give its considered opinion on the matter.

78. **Mr. Abelian** (Secretary of the Committee) said that the documents to which the Syrian representative had referred had not been distributed upon the initiative of the Secretariat, but rather at the request of some of the Member States. The documents were draft summary records, and could not be prepared at such short notice in all languages. They had therefore been circulated in the language versions available, for information purposes only.

79. **Mr. Elji** (Syrian Arab Republic) repeated that the distribution of any document, whether an advance copy or a document prepared simply for information purposes, must comply with the resolutions of the General Assembly, in other words, it must be distributed in all the official languages. He expressed the hope that such a practice would not be repeated.

The meeting rose at 11.55 a.m.

United Nations A/C.5/58/SR.25

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Summary record of the 25th meeting
Held at Headquarters, New York, on Thursday, 4 December 2003, at 10 a.m.

Chairman: Mr. Kmoníček ..... (Czech Republic)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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The meeting was called to order at 10.05 a.m.

Agenda item 121: Proposed programme budget for the biennium 2004-2005 (*continued*)

Capital master plan (A/58/7/Add.15, A/58/321, A/58/342 and A/58/599)

1. **Mr. Niwa** (Executive Director of the Capital Master Plan Office) introduced the report of the Secretary-General on the capital master plan (A/58/599), which outlined the work undertaken since the adoption of resolution 57/292, by which the General Assembly had authorized the implementation of the project. He was pleased to note that there had been tangible progress in key areas. He had been appointed Executive Director of the Capital Master Plan Office on 1 February 2003, enabling him to focus on the project on a full-time basis. Twenty staff, including nine Professionals, had been assigned to the Office and were managing both the project start-up and those aspects of the strengthening security projects related to the capital master plan. The host country was considering possible funding modalities, and it was hoped that it would announce a funding proposal in February 2004.

2. In resolution 57/292, section II, the General Assembly had requested the Secretary-General to submit to it the information used to determine the need for the three additional conference rooms foreseen in the baseline scope. Accordingly, the Department of General Assembly and Conference Management had analysed past demand for rooms and current requests in order better to determine future requirements. The General Assembly had also requested the Secretary-General to produce viable solutions for allowing natural light into the proposed new conference rooms. An architectural study had been completed and would be submitted to the General Assembly at its resumed fifty-eighth session. A separate study on methods of increasing available parking, where possible without added cost, would be submitted to the General Assembly, at the same time.

3. Concerning the design development and construction documentation, he said that an expression of interest notice had been posted on 24 December 2002, while a formal request for proposals had been issued in February 2003. Proposals had been submitted on 17 April 2003. The proposals had been evaluated and the shortlisted firms had made oral presentations. The contracts with the winning bidders were currently being finalized, and design work was expected to begin in early 2004.

4. The next procurement action would be the selection of a programme management firm. The selected firm would supplement the Organization's project management staff, perform an independent technical review of the design work, check inter-project coordination, and ensure that the project remained within budget and on schedule. The construction management firm was expected to be retained in late 2004.

5. The City of New York had decided to select an architect to design the swing space building on the basis of a design competition. The architects to be considered were those who had previously been named as Pritzker Architecture Prize laureates. The City had begun the selection process, in cooperation with the United Nations and the United Nations Development Corporation, and a final decision was expected in the coming weeks. The City had encountered some delays in securing acceptance by the local community of the proposed mitigation measures. The City had suggested that an esplanade should be constructed along the East River as compensation for the loss of the Robert Moses Playground, a project to which the United Nations would contribute an amount of from $10 to $12 million. That suggestion was being reviewed by the Community Board, and the City was considering additional solutions.

6. The capital components of the strengthening security projects had been integrated into the capital master plan. Construction was about to begin, funded by a provision of $17 million brought forward from the capital master plan.

7. **Mr. Nair** (Under-Secretary-General for Internal Oversight Services) introduced the report of the Office of Internal Oversight Services on the United Nations capital master plan for the period from January to July 2003 (A/58/342), which outlined the monitoring by the Office of Internal Oversight Services (OIOS) of activities related to the capital master plan project. The Office had sought to ascertain whether adequate internal controls were in place for the design development phase of the project. It had also assessed the procedures and controls established by the Office of Central Support Services with respect to the

solicitation and evaluation of proposals from prospective contractors in the areas of architectural and engineering design. The Office of Internal Oversight Services was of the view that the process had advanced satisfactorily and that there was reasonable assurance to indicate that it had been transparent and fair. Internal controls in the request for proposals process also appeared adequate.

8. The firms selected would be responsible for developing the design, drawing and construction documentation for the six different components of the capital master plan project: Programme planning services, Infrastructure, General Assembly and Conference Buildings, Secretariat and South Annex, Dag Hammarskjöld Library, and Security. The 30 proposals submitted had been evaluated for technical competence using a standardized format and a scoring criteria system to determine which firm would be best qualified to perform the job. The lowest bids received for the six project components totalled approximately $40.1 million.

9. The Office's Internal Audit Division had developed a preliminary audit plan for the review of architectural and engineering contracts in the design development phase. The Office would pay particular attention to those areas that were susceptible to contributing to cost overruns and delays. In addition, it would monitor progress in the design and construction of the swing space, which was critical if the renovation project was to start on schedule. The preliminary audit plan would be updated periodically to include other pertinent areas as the renovation project moved through the various phases.

10. The main oversight challenge would commence in the next phase of the capital master plan project, when the United Nations would begin negotiating contracts with the firms selected to deliver an architectural and engineering design that would meet not only the requirements set out by the Secretariat, but also the expectations of Member States. The resources allotted to OIOS since March 2003 had allowed for the recruitment of only one auditor on a short-term basis to 31 December 2003. As the capital master plan project progressed and the level of contract-execution activities expanded, the Office would need additional financial resources and posts to provide the necessary oversight of the project's implementation.

11. **Mr. Gillette** (Chairman of the Audit Operations Committee, Board of Auditors), introducing the progress report of the Board of Auditors on the capital master plan (A/58/321), said that the forthcoming audit of the capital master plan project would be conducted in accordance with the Financial Regulations and Rules of the United Nations and common auditing standards. The Board planned to examine the capital master plan financial statements, evaluating project accounting, payment and reporting systems; to ascertain compliance with United Nations regulations and rules on procurement and contracting; to determine adherence to the terms of the contract, such as deliverables, time and material provisions; and to review the controls, including internal audit, and processes established to ensure proper management of the project. The scope of the audit would of course be confirmed with the Administration. Since the activities and actual expenditures related to the capital master plan were limited, the first audit report would cover the biennium ending on 31 December 2003. It would be transmitted to the General Assembly for consideration at its fifty-ninth session.

12. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of ACABQ (A/58/7/Add.15), said that the Advisory Committee had considered the report of the Secretary-General on the capital master plan (A/58/599). In paragraph 6 of its report, it welcomed the progress made in the current phase of the project. In paragraph 9, it noted that a separate study on the issue of parking would be submitted to the General Assembly at its resumed fifty-eighth session. The Advisory Committee's comments on the future management structure and staffing requirements of the project were contained in paragraphs 10 and 11; it noted that those matters were to be kept under review by the Under-Secretary-General for Management. In paragraph 12, the Advisory Committee recommended that, since the capital master plan would be a time-limited project, additional staffing for the plan should be requested in accordance with actual workload requirements in each phase. In that connection, it noted a number of factors that should be taken into account before proposals for additional staffing were submitted.

13. **Mr. Fineman** (United States of America) welcomed the significant progress made in the design development phase of the capital master plan project

and in implementing measures to strengthen security at Headquarters. He noted that the transparent selection process had enabled contracts for the project's various components to be signed in under a year. In that connection, inter-project coordination would be crucial, as would cooperation with the City and State of New York and the United Nations Development Corporation, which were key partners in ensuring the success of the capital master plan. The inclusion of representatives of the United Nations in the Corporation's design selection committee demonstrated the strong relationship already in place.

14. Concerning the staffing of the Capital Master Plan Office, he said that, without a detailed accounting of the posts, it was impossible to weigh the merits of the expertise brought together for the project. It was to be hoped that the management focus was robust enough to provide proper direction. At the same time, it was important to have sufficient technical expertise for a construction project of such magnitude. Oversight should be the responsibility primarily of OIOS and the Board of Auditors. Project management skills should be procured through contracts rather than by establishing posts; that would ensure that the number of staff could be increased or reduced with the ebb and flow of the project. The next annual progress report should contain a detailed accounting of the posts in the Capital Master Plan Office, including a matrix of the skills acquired.

15. **Mr. Farid** (Saudi Arabia) requested that a room should be set aside in the swing space building where Muslim delegates and staff members could pray five times a day. The room should be larger than that on the fourth floor of the Dag Hammarskjöld Library building, where Friday prayer was currently held. It would be appreciated if the room was carpeted and contained bookshelves for copies of the Holy Koran in various languages. A wooden step should also be installed, where the sheikh could stand to deliver his Friday address. He trusted that the Secretariat would respond positively to his request, which was of the utmost importance to the Muslims working in the United Nations.

Agenda item 129: Joint Inspection Unit (*continued*) (A/58/343/Add.1)

16. **Mr. Duque** (Chairman of the Joint Inspection Unit), introducing the report of the Joint Inspection Unit on the in-depth review of its statute and working methods (A/58/343/Add.1), recalled that the Joint Inspection Unit (JIU) had conducted a preliminary review of its statute and working methods, the outcome of which was described in document A/58/343. The Unit had come to the conclusion that, if it was to fulfil its mandate and meet the needs of the participating organizations more effectively, improvements must be made in its functioning and changes enacted, some of which might require the amendment of its statute. Following consultations with both Committee and the executive heads of the participating organizations, the Unit had observed that there was general agreement on the need, first, to maintain JIU, which was the only independent external oversight organ with system-wide competence, and, second, to implement reforms so as to improve its functioning. The Unit had therefore pursued its review, considering in depth the issues previously identified as weaknesses. The report now before the Committee (A/58/343/Add.1) contained a number of proposals for reform.

17. The process of selecting the Inspectors had long been an issue of concern, since Member States lacked the necessary guidance to ensure that the candidates they proposed met the qualifications stipulated in article 2 of the Unit's statute. It was therefore recommended that the General Assembly should consider adopting a job description and a list of desirable qualifications for members of the Unit (proposed action 1). The Assembly might also wish to endorse new procedures for the establishment of an Advisory Candidate Review Panel, as described in paragraph 9 of the report, to assist the President of the General Assembly in the performance of the duties assigned under article 3 of the statute (proposed action 2).

18. In a draft strategic framework annexed to the preliminary review, a new mission statement had been proposed for the Unit (A/58/343, annex). The Inspectors had since adopted the strategic framework. In the report under consideration, they proposed that the General Assembly should review article 5 of the statute to assess whether it still reflected accurately the functions and mandate of the Unit. The General Assembly might also wish to concur with the strategic framework (proposed action 4).

19. The statute required that reports, which were prepared by individual Inspectors, should be finalized after consultations among the Inspectors so as to test the recommendations being made against the collective

wisdom of the Unit. However, there was no requirement for Unit approval of the reports. The Inspectors therefore proposed that the General Assembly should clarify further whether full responsibility for all reports rested collectively with the Unit, in which case they should be issued as reports of the Unit, or whether Inspectors should continue signing their respective reports, in which case they should bear individual responsibility for their contents (proposed action 5). The first option might require amendment of the statute.

20. Currently, the Chairman of the Unit was elected annually by the members, and his authority and responsibilities were rather vague. Accordingly, the Inspectors proposed that the General Assembly should determine the modalities for the election of the Chairman and the applicable conditions of service (proposed action 6). The Assembly might wish to draw on the examples of the Advisory Committee and the International Civil Service Commission and have the Chairman elected for a longer period. It might also wish to ensure that the Chairman's authority and responsibilities were more clearly defined.

21. **Mr. Cissé** (Senegal) welcomed the opportunity to discuss the report of the Joint Inspection Unit publicly and openly; the Member States saw the task of improving the administrative and managerial efficiency of the Joint Inspection Unit as part of the reform of the Organization as a whole. The head of his country's delegation had stated the same position in the general debate in the General Assembly in connection with the revitalization of the work of the General Assembly, reform of the United Nations and strengthening of the United Nations system.

22. The Joint Inspection Unit, as the only independent external oversight body responsible for evaluating the Organization's efficiency, should be given resources which matched its objectives regarding the improvement of the efficiency of the administrative and financial functioning of the United Nations. Its human resources must be consolidated by at least maintaining, if not increasing, the number of Inspectors (currently three from the Group of Western European and Other States and two from each of the other regional groups). The number of research staff (currently seven) had long been considered too small. The answer some had proposed was simply to reduce the number of Inspectors in order to redress the balance, whereas the obvious solution was to increase the number of research staff. The staffing level of the Joint Inspection Unit had not changed in 30 years, despite a 30-per-cent increase in the number of Member States. The functions of the Joint Inspection Unit should move beyond investigation, evaluation and proposals for reform to encompass monitoring of recommendations and meeting the demand for inspections from the executive heads of participating organizations.

23. Turning to the status of the Inspectors, he said that tried-and-tested rules governing selection and appointment must be maintained: there was no need to reinvent the wheel, nor was there any need to turn the Inspectors into management consultants, accountants or auditors, in competition with the existing Board of Auditors. It was obvious that the Inspectors must have proven administrative and financial expertise, but there was no justification for making the Unit inaccessible to all but financial and budgetary experts. Such an approach would be too simplistic, inflexible and even sectarian. International or diplomatic experience and knowledge of the United Nations system were just as valuable. For those reasons, his delegation agreed with the Advisory Committee that the relevant parts of the statute of the Unit should be adhered to.

24. Participating organizations had apparently felt that the Unit's reports lacked relevance and depth when measured against the goal of more efficient management and rational use of resources. A number of steps taken since 1996 to alter internal procedures and keep strictly to the terms of the Unit's statute had removed the grounds for such criticism. Unfortunately and significantly, the participating organizations themselves had regularly refused to assume their own obligations under the Unit's statute even though the Unit had improved the preparation of its programme of work and reports.

25. His delegation could see no reason to alter the status or method of selection of the Chairman of the Unit, the system of automatic annual rotation or the duration of the Chairman's mandate, and still less to alter his or her level, which should remain at D-2, like that of the other Inspectors.

26. Arbitrary changes in method would do nothing to improve the operation of the Unit. They might even harm it and also violate the principle of equitable geographical distribution without producing the rotation sought. His delegation was satisfied with the

current geographical distribution, even if it considered that the two posts allocated to the African Group could be increased. If any change were to be forced through, it would pit the regional groups against each other, sow discord among the Member States and give the Africans, in particular, justifiable grounds to speculate on the real motives behind such a course of action.

27. Any reform of the Joint Inspection Unit must be methodical, transparent and consensual. There must be no hasty action which could harm the operation both of the Unit itself and of the Organization as a whole.

28. **Mr. Farid** (Saudi Arabia) said that his delegation concurred that the General Assembly should adopt a job description and a list of desirable qualifications for members of the Unit against which the suitability of the candidates proposed by Member States could be judged. It also supported the proposal for the establishment of an Advisory Candidate Review Panel.

29. The role of the Unit should consist in helping participating organizations to become more effective and strengthening the United Nations common system as a whole. Accordingly, its programme of work should be established by the General Assembly and should include issues and areas that the Assembly saw as vital for the enhancement of the efficiency and productivity of participating organizations. Strengthening the role of the Chairman of the Unit and lengthening his or her term of office would enhance the coherence and effectiveness of the Unit's work. The Chairman should be appointed at the Under-Secretary-General level, while the other Inspectors should remain at the D-2 level. Lastly, the relocation of the Unit from Geneva to New York would allow for more constructive interaction between the Inspectors and the members of the Committee.

30. The changes proposed in the work of the Unit should be implemented at the earliest opportunity and, in any case, not later than January 2006.

31. **Mr. Repasch** (United States of America) said that while earlier issuance of the report of the Joint Inspection Unit would have given his and other delegations more time to consider it, it was nevertheless welcome because it gave the General Assembly sufficient guidance to come to a decision on the reform of the Unit.

32. His delegation agreed with the view expressed in paragraph 8 of the Unit's report that the General Assembly should approve a job description for Inspectors; the matter of the Inspectors' qualifications had been raised often in the past during discussion of ways to make the Unit more effective. It also endorsed the proposal in paragraph 9 of the report that an Advisory Candidate Review Panel might be established.

33. His delegation had long held the view that the ratio of research staff to Inspectors must be changed, and had noted the views expressed by the Unit in paragraphs 12 to 15 of its report. It believed that the proper approach would be to have more research staff and fewer Inspectors since, as the Unit pointed out in paragraph 13 of the report, it was unlikely that the Member States would approve a net increase in resources. It was disappointed that the Unit had not proposed further action and had stated only that the General Assembly might wish to review the ratio of research staff to Inspectors. The Inspectors themselves, including the Chairman of the Unit, had amassed valuable experience. His delegation would have preferred them to have proposed a more specific course of action on the matter.

34. In paragraph 18 of its report, the Unit indicated that the Inspectors had not often examined the question of efficiency and effectiveness. That situation must change, since efficiency and effectiveness clearly fell within the remit of the Unit. His delegation urged the Inspectors to produce reports and pursue reviews, inspections and investigations on those issues, which coincided with and would contribute to the business of the Fifth Committee. His delegation took issue, however, with the view expressed in paragraph 21 of the report that the Unit should be seen as fulfilling a role akin to management consulting. The Unit was an external oversight body the function of which was to provide governing bodies, rather than department heads, with objective views on particular issues. There were other bodies dealing with internal oversight which did perform a consulting function.

35. His delegation agreed with the action proposed in paragraph 29 of the report, and believed that the responsibility for reports issued by the Joint Inspection Unit should lie collectively with its Inspectors. Inspectors signed their reports individually, but, like other oversight bodies, the Unit must preserve its own hierarchy and authority. The Unit must make a greater effort to make sure that its reports met its own collective standard. His delegation had been aware for

some time that the governing bodies of the participating organizations, and at times the Fifth Committee itself, had failed to give proper consideration to reports of the Unit. The situation would improve as the Unit itself improved, since governing bodies had often taken the view that the Unit's reports were complicated, lacked quality and contained impractical recommendations.

36. His delegation agreed with the views expressed in section V of the report, which covered administrative, budgetary and financial arrangements. The Chairman must be given more authority to ensure that reports reflected and adhered to agreed standards and provided appropriate advice.

37. Finally, he wondered whether the Chairman of the Advisory Committee and the Chairman of the Joint Inspection Unit wished to comment on the effectiveness of the Unit and how it could be improved. After many years with the Organization, they were soon to leave their current duties and their experience might provide additional insight into the matter.

38. **Mr. Martini** (Italy), speaking on behalf of the European Union, the acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia, the associated countries Bulgaria, Romania and Turkey, and, in addition, Iceland, Liechtenstein and Norway, commended the Joint Inspection Unit for having taken less than two months to return to the Committee, in response to its request at the Committee's 2nd meeting, with a final report containing proposed actions to improve its own performance. The Unit must alter its working practices and statute and emerge from reform stronger and better able to fulfil its mandate as the only system-wide oversight body.

39. The European Union believed that the problems of the Unit could be addressed by focusing, firstly, on the method of selecting new Inspectors, secondly, on the strengthening of the Chairman's role, and, thirdly, on the establishment of collective responsibility for the work of the Unit. The selection of Inspectors was a political process, qualifications being only one among several other considerations. In order to enhance the Unit's capabilities, that system should be replaced by one which allowed all candidates from a specific region to apply for posts. As for the Chairman's role, article 18 of the statute of the Unit, as currently worded, gave the Chairman only limited, merely representative, functions. The European Union proposed that the Chairman should be elected for a three-year term and be responsible for the Unit's programme of work and the quality of its reports. With regard to collective responsibility, the current notion of individual and collective responsibility for reports was a weakness. The quality of the reports could only be improved if the Unit acted with collective responsibility and if the Chairman vouched for the quality of the Inspectors' reports.

40. The previous week the officers of the Committee had decided not to allocate any further time to informal discussions on the programme of work of the Joint Inspection Unit, and to incorporate the discussion of the reform of the Unit into the discussion of section 31 of the programme budget. The European Union was willing to continue the debate, but it had been in progress for years and the Unit had now made specific proposals. The time had come to take action, even though so little time remained in the main part of the fifty-eighth session.

41. **Ms. Goicochea** (Cuba) said that her attention had been caught by the observation made by the representative of Italy that it had been decided that the discussion of the reform of the Joint Inspection Unit would be incorporated into the discussion of section 31 of the programme budget. She asked whether that was indeed the case. Her delegation was not willing to accept such action The issue of the Joint Inspection Unit had been allocated a separate agenda item, and it should be treated as such.

42. **Mr. Kramer** (Canada), speaking also on behalf of Australia and New Zealand, said that the three delegations had explained their position on the reform of the Joint Inspection Unit during the initial debate on the matter at the Committee's 2nd meeting. He did not wish to repeat what they had said, but merely to commend the Unit for having reacted rapidly to the Committee's request for specific proposals for action. He had nothing to add to the pertinent observations of the representatives of Italy and the United States. He wondered what specific action the General Assembly should take. The delegations of Australia, Canada and New Zealand were willing to continue work on the matter in any forum and, if appropriate, in connection with section 31 of the programme budget.

43. **Ms. Udo** (Nigeria) said that, like the representative of Cuba, she wished to know how the

Committee proposed to continue discussing the reform of the Joint Inspection Unit. Her delegation had sought information on that matter informally, but had just learned that the officers of the Committee had already come to a decision. She asked the Chairman to elaborate on that decision.

44. **The Chairman** said that he would ask the representative of Italy for clarification of his statement since the officers of the Committee were not entitled to take the kind of decision to which he had referred.

45. **Mr. Ng'ongolo** (United Republic of Tanzania) commended the Joint Inspection Unit for incorporating the views of participating organizations in its report. In particular, he supported the statements of the representatives of Senegal and the United States. The only specific comment he wished to make related to the ratio of research staff to Inspectors. The statute of the Joint Inspection Unit, in article 5, paragraph 2, of Chapter III (Functions, powers and responsibilities) stated that the Inspectors "shall provide an independent view through inspection and evaluation aimed at improving management and methods and at achieving greater coordination between organizations". The matter of safeguarding an independent view must be clarified. The ratio of research staff to Inspectors, meanwhile, was determined by the competence of the Inspectors themselves. Because the function of research staff was to provide assistance, appointing more researchers suggested an effort to make up for the ineffectiveness of Inspectors. The ratio of research staff to Inspectors must be maintained and all Member States nominating candidates for Inspector posts must adhere to the stipulations of the statute regarding qualifications.

46. **Mr. Duque** (Chairman of the Joint Inspection Unit) said that he had very little to add to his previous comments, but he wished to thank the representative of the United States for the tribute he had paid to his experience with the Organization and to respond to his observation that the Unit could have provided more detailed recommendations on the ratio of research staff to Inspectors. The recommendations in the report had emerged from a consensus among all the Inspectors. If he had one piece of advice for the Committee, it was to avoid politicizing the issue. It should be seen instead from the standpoint of making use of the Unit as a valuable mechanism and trusted ally. It was the only system-wide external oversight body. Any improvements to its operation could only be to the benefit of all the Member States. The Unit had undertaken an unprecedented, honest, open and transparent examination of its own acknowledged shortcomings. It was up to the Committee to make a final judgement on the proposals it had made.

The meeting rose at 11.10 a.m.